



# Agenda

## City Council Regular Meeting

Folsom City Hall | City Council Chambers, First Floor

50 Natoma Street, Folsom, CA 95630

September 10, 2024, 6:30 PM

## Welcome to Your City Council Meeting

We welcome your interest and involvement in the city's legislative process. This agenda includes information about topics coming before the City Council and the action recommended by city staff. You can read about each topic in the staff reports, which are available on the city website and in the Office of the City Clerk. The City Clerk is also available to answer any questions you have about City Council meeting procedures.

### Participation

If you would like to provide comments to the City Council, please:

- Fill out a blue speaker request form, located at the back table.
- Submit the form to the City Clerk before the item begins.
- When it's your turn, the City Clerk will call your name and invite you to the podium.
- Speakers generally have three minutes, unless the presiding officer (usually the mayor) changes that time.

### Reasonable Accommodations

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (916) 461-6035, (916) 355-7328 (fax) or [CityClerkDept@folsom.ca.us](mailto:CityClerkDept@folsom.ca.us). Requests must be made as early as possible and at least two full business days before the start of the meeting.

### How to Watch

The City of Folsom provides three ways to watch a City Council meeting:

#### In Person



City Council meetings take place at City Hall, 50 Natoma Street

#### Online



Watch the livestream and replay past meetings on the city website, [www.folsom.ca.us](http://www.folsom.ca.us)

#### On TV



Watch live and replays of meetings on Sac Metro Cable TV, Channel 14

**More information about City Council meetings is available at the end of this agenda**



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

**City Council Regular Meeting**  
**Folsom City Hall | City Council Chambers, First Floor**  
**50 Natoma Street, Folsom, CA 95630**  
[www.folsom.ca.us](http://www.folsom.ca.us)

**Tuesday, September 10, 2024 6:30 PM**

*Mike Kozlowski, Mayor*

*Sarah Aquino, Vice Mayor*  
*Rosario Rodriguez, Councilmember*

*YK Chalamcherla, Councilmember*  
*Anna Rohrbough, Councilmember*

---

**AGENDA**

**NOTE:**

Councilmember Anna Rohrbough will be participating in this meeting via teleconference from the following location:

31 Chase Ave.  
Lexington, MA 02421

Pursuant to Section 54953 et al. of the California Government Code, members of the public shall be provided an opportunity to directly address the legislative body at the teleconference location.

**CALL TO ORDER**

**ROLL CALL:**

**Councilmembers: Chalamcherla, Rodriguez, Rohrbough, Aquino, Kozlowski**

The City Council has adopted a policy that no new item will begin after 10:30 p.m. Therefore, if you are here for an item that has not been heard by 10:30 p.m., you may leave, as the item will be continued to a future Council meeting.

**PLEDGE OF ALLEGIANCE**

**BUSINESS FROM THE FLOOR:**

Members of the public are entitled to address the City Council concerning any item within the Folsom City Council's subject matter jurisdiction. Public comments are generally limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda.

## **AGENDA UPDATE**

### **SCHEDULED PRESENTATIONS:**

- [1.](#) Presentation of Spirit of Folsom Awards
- [2.](#) Presentation of the 11th Annual Folsom Community Service Day
- [3.](#) Presentation of Final Report from Economic Development Consultant Kosmont Companies
- [4.](#) Update to City Council on the City's Water Vision

### **CONSENT CALENDAR:**

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Councilmembers may pull an item for discussion.

- [5.](#) Approval of August 20, 2024 Special Meeting Minutes
- [6.](#) Approval of August 27, 2024 Special and Regular Meeting Minutes
- [7.](#) Approval of August 28, 2024 Special Meeting Minutes
- [8.](#) Appointment of At-Large Member to the Folsom Landscaping and Lighting District Advisory Committee to Represent the Cobble Ridge District
- [9.](#) Resolution No. 11247 – A Resolution of the City Council of the City of Folsom Approving the Amended Budgets for Landscaping and Lighting Districts, and Community Facilities Districts for Fiscal Year 2024-25 and Appropriation of Funds
- [10.](#) Resolution No. 11256- A Resolution Accepting Fiscal Year 2023-24 Department of Homeland Security Grant Funds Awarded Through the California Office of Emergency Services Grant Fund and Appropriation of Funds
- [11.](#) Resolution No. 11257 - A Resolution Authorizing the City Manager to Execute a Consultant Services Agreement with Dewberry, Inc. for Construction Management and Inspection Services and Appropriation of Funds from the Community Facilities District Fund and Authorize a Partial Notice to Proceed for Pre-Construction Tasks for an Amount not to Exceed \$200,000 for the Phase 2 Water Improvements Project (Phase 2A)
- [12.](#) Resolution No. 11258 – A Resolution Authorizing the City Manager to Execute a Lease Agreement Between the City of Folsom and Practical Cycle LLC for the Lease of City Property Located at 905 Leidesdorff Street within the Historic District Parking Structure

### **COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS**

### **CITY MANAGER REPORTS**

### **COUNCIL COMMENTS**

### **ADJOURNMENT**

---

***NOTICE:*** Members of the public are entitled to directly address the City Council concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address Council on an issue, which is on this agenda, please complete a blue speaker request card, and deliver it to a staff member at the table on the left side of the Council Chambers prior to discussion of the item. When your name is called, stand to be recognized by the Mayor and then proceed to the podium. If you wish to address the City Council on any other item of interest to the public, when the Mayor asks if

there is any "Business from the Floor," follow the same procedure described above. Please limit your comments to three minutes or less.

**NOTICE REGARDING CHALLENGES TO DECISIONS:** Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, the public hearing.

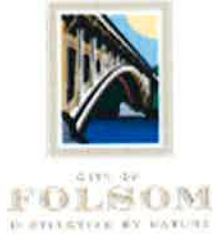
As presiding officer, the Mayor has the authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Council, and to enforce the rules of the Council.

**PERSONS INTERESTED IN PROPOSING AN ITEM FOR THE CITY COUNCIL AGENDA SHOULD CONTACT A MEMBER OF THE CITY COUNCIL.**

The meeting of the Folsom City Council is being telecast on Metro Cable TV, Channel 14, the Government Affairs Channel, and will be shown in its entirety on the Friday and Saturday following the meeting, both at 9 a.m. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14. The City of Folsom provides live and archived webcasts of regular City Council meetings. The webcasts can be found on the online services page of the City's website [www.folsom.ca.us](http://www.folsom.ca.us).

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (916) 461-6035, (916) 355-7328 (fax) or [CityClerkDept@folsom.ca.us](mailto:CityClerkDept@folsom.ca.us). Requests must be made as early as possible and at least two full business days before the start of the meeting.

Any documents produced by the City and distributed to the City Council regarding any item on this agenda will be made available at the City Clerk's Counter at City Hall located at 50 Natoma Street, Folsom, California and at the Folsom Public Library located at 411 Stafford Street, Folsom, California during normal business hours.



# Folsom City Council Staff Report



|                        |   |
|------------------------|---|
| <b>MEETING DATE:</b>   | 9/10/2024                               |
| <b>AGENDA SECTION:</b> | Scheduled Presentations                 |
| <b>SUBJECT:</b>        | Presentation of Spirit of Folsom Awards |
| <b>FROM:</b>           | City Manager's Office                   |

**RECOMMENDATION / CITY COUNCIL ACTION**

The Folsom City Council will recognize the 2024 Spirit of Folsom Award recipients.

**BACKGROUND / ISSUE**

The Folsom City Council regularly celebrates community members for their outstanding service, dedication, and commitment to making Folsom a better place for all.

On January 23, 2024, the Folsom City Council established an annual community service award and recognition program to formalize and expand efforts to spotlight those who have significantly contributed to the Folsom community.

In July 2024, the Spirit of Folsom Award Program commenced, and a call for nominations was issued to the public. In this program, each City Councilmember nominates one recipient from their respective City Council district each year, resulting in the acknowledgment of five recipients annually. An award nominee must be a resident, volunteer, employee of a Folsom business, or a student enrolled in a school within the City of Folsom. The City of Folsom website provides details about the nomination, application, and selection process.

Award recipients will be honored with an award at the September 10 Folsom City Council meeting. Their achievements will be displayed at Folsom City Hall and highlighted on the City’s website, newsletter, and social media platforms.

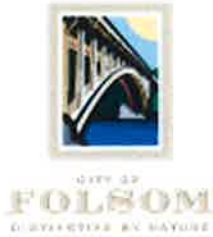
2024 Spirit of Folsom Award Winners:

- Jeff Ferreira-Pro, nominated by Mayor Mike Kozlowski
- Brian Smith, nominated by Vice Mayor Sarah Aquino
- Jeff Moore, nominated by Councilmember Anna Rohrbough
- Sandy Zaboukos, nominated by Councilmember YK Chalamcherla

- DeAnn Wren, nominated by Councilmember YK Chalamcherla
- Steve Heard, nominated by Councilmember Rosario Rodriguez

Submitted,

Christine Brainerd, Communications Director



# Folsom City Council Staff Report

|                        |  |
|------------------------|--|
| <b>MEETING DATE:</b>   | 9/10/2024  |
| <b>AGENDA SECTION:</b> | Scheduled Presentations  |
| <b>SUBJECT:</b>        | Presentation of the 11 <sup>th</sup> Annual Folsom Community Service Day |
| <b>FROM:</b>           | Parks and Recreation Department  |

**BACKGROUND / ISSUE**

The Community Service Day Steering Committee will provide a brief overview of the upcoming 11<sup>th</sup> Annual Folsom Community Service Day to be held on Saturday, September 21 beginning at Lakeside Church.

The presentation will be delivered by Sandy Econome, Chair of the Folsom Community Service Day Steering Committee and Tom Hellmann, Recreation & Community Services Manager.

**RECOMMENDATION / CITY COUNCIL ACTION**

No action is requested of the City Council at this time.

Submitted,

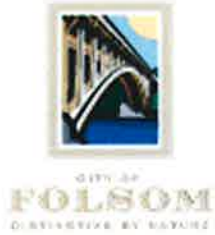
Kelly Gonzalez, Parks & Recreation Director

*This page is intentionally left blank  
to facilitate double-sided printing  
and minimize paper use.*



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE





# Folsom City Council Staff Report

|                        |   |
|------------------------|---|
| <b>MEETING DATE:</b>   | 9/10/2024   |
| <b>AGENDA SECTION:</b> | Scheduled Presentations   |
| <b>SUBJECT:</b>        | Presentation of Final Report from Economic Development Consultant Kosmont Companies |
| <b>FROM:</b>           | City Manager's Office   |

**RECOMMENDATION / CITY COUNCIL ACTION**

It is recommended that the Folsom City Council receive a presentation from economic development consultant Kosmont Companies on its economic development action plan and recommendations.

**ATTACHMENTS**

1. Kosmont Companies Folsom Economic Development Plan for the City of Folsom

Submitted,

Christine Brainerd, Communications Director



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE

# CITY OF FOLSOM

## ECONOMIC DEVELOPMENT ACTION PLAN

AUGUST 2024



2301 Rosecrans Ave., Suite 4140  
El Segundo, CA 90245  
TEL: 424-297-1070 | URL: [www.kosmont.com](http://www.kosmont.com)

**Kosmont Companies Staff**

Ken K. Hira, President  
Thomas Jirovsky, Senior Advisor  
Clark Whitten, Senior Advisor  
Fernando Sanchez, Vice President

**City Council**

Mike Kozlowski, Mayor  
Sarah Aquino, Vice Mayor  
YK Chalamcherla, Councilmember  
Rosario Rodriguez, Councilmember  
Anna Rohrbough, Councilmember

**Staff & Advisory**

Elaine Andersen, City Manager  
Pam Johns, Community Dev. Director  
Christine Brainerd, Communications Director

**CITY OF FOLSOM  
ECONOMIC DEVELOPMENT ACTION PLAN**



# INTRODUCTION

Kosmont Companies ("Kosmont"), a real estate and economics advisory firm serving hundreds of local governments for over 38 years, has been retained by the City of Folsom ("City" or "Folsom") to develop a Phase 1 Economic Development Action Plan ("EDAP"). It is important to define Economic Development: according to CALED, it is generally what a community does to grow the economy and enhance quality of life for all residents, and notes that strategies vary for each community.

Kosmont's approach to preparing the EDAP included the following tasks:

- Review of relevant City documents (budget, planning), together with a tour of the City and its business districts
- Interviews / feedback from City staff, Council members, and community stakeholders
- Assessment of regional economic trends
- Assessment of local demographic and market conditions
- Assessment of major commercial districts
- Identification of key opportunities, strategies and economic development tools

To help the City achieve its economic aspirations, Phase 2 of the EDAP involves implementation where Kosmont would create marketing materials, represent City with brokerage community and ICSC, solicit developer proposals, and evaluate development projects / opportunities.



**Disclaimer:** The analyses, projections, assumptions, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Actual results are difficult to predict as a function of market conditions, natural disasters, pandemics, legislation and administrative actions.

## EDAP IN THE CONTEXT OF CITY STRATEGIC PLAN

Prior to retaining Kosmont, the City had adopted a 5-Year Strategic Plan. While the EDAP is designed to help the City strengthen its local economic base and enable the City to achieve greater financial resiliency, it is not specifically designed to address all the City's strategic goals and objectives outlined below.

### ***Strategic Plan Core Objectives:***

1. Financial Stability and Sustainability through long term planning. Increased efficiency and increased revenue;
2. Public Safety and Infrastructure through investment in technological solutions, repair and maintenance of public facilities and infrastructure;
3. Economic and Community Development through promotion of existing amenities to create opportunities to enrich the community;
4. Organizational Effectiveness through a commitment to best practices and employee development and support.

# TABLE OF CONTENTS

|   |                |
|---|----------------|
| <b>1. Background</b>                              | <b>Page 6</b>  |
| <b>2. Executive Summary - Existing Conditions</b> | <b>Page 13</b> |
| <b>3. EDAP Strategies</b>                         | <b>Page 33</b> |
| <b>4. Regional Econ Dev Comparison</b>            | <b>Page 47</b> |
| <b>5. Opportunity Sites Evaluation</b>            | <b>Page 53</b> |
| <b>6. Economic Development Tools</b>              | <b>Page 61</b> |





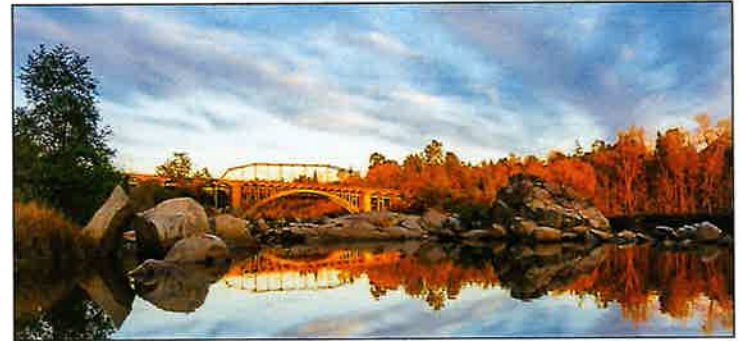
# 1. BACKGROUND

CITY OF FOLSOM – EDAP



# BACKGROUND

- The City is a family friendly suburban community with a unique blend of California history, surrounded by nature's amenities, the pristine waters of Lake Natoma, the expansive Folsom Lake, and the North Fork American River. These treasures provide residents and visitors with multitude of outdoor activities and experiences.
- Nestled within eastern Sacramento County, the City presents a dynamic economic landscape. With population tripling since 1990, Folsom is home today to an estimated 89,000 residents and a workforce of 42,500 employees, with thousands of high paying jobs. The City boasts a strong tech-oriented ecosystem, fostering collaborations that range from innovative startups to industry giants like Intel.
- Located in the Greater Sacramento Region, Folsom not only thrives in the present, but also holds a rich historical significance, with ties to the California Gold Rush, Pony Express, and the Railroad era.



Sources: City of Folsom

Top: Lake Natoma with Rainbow Bridge in background

Above: Folsom Historic District

KOSMONT COMPANIES

7



## BACKGROUND

- The City's economic prosperity is underpinned by several compelling factors. Greater Sacramento has evolved into a magnet for young professionals from the Bay Area who seek promising opportunities and an enhanced quality of life. Remarkably, despite the economic toll of the pandemic, the region has seen robust job growth, surpassing other California markets.
- Folsom has proximity to renowned educational institutions like Sacramento State, UC Davis, and Folsom Lake College, which is part of the Los Rios Community College District. Folsom's commitment to workforce training is evident in its collaboration with industry giants like Intel, which expanded its Artificial Intelligence for Workforce Program to include Folsom Lake College.
- The City has invested significantly in fostering an innovation-friendly ecosystem, enticing entrepreneurs, startups, and venture capitalists alike. The City is home to thriving innovation hubs like Granite City Coworking, where individuals converge to support business growth. Additionally, the participation in the Northern California Innovation District, which connects startups to accelerators, funding opportunities, strategic partnerships, underscores a commitment to innovation.
- On the retail front, Folsom houses several major shopping centers. Generally, retail needs reimagining to stay relevant and serve the community. Given shifting consumer preference, changes in land use and uncertain economic realities, it is prudent to identify opportunities for reinvestment / redevelopment within the City to enhance tax revenues.



**Sources:** City of Folsom  
**Left:** Palladio at Broadstone  
**Right:** Intel's Folsom Campus

# COMMUNITY ASSETS

Kosmont has identified a few significant community assets that act as regional draws and promoted effectively.

- Historic Folsom aka Historic District - diverse restaurants, 136-room Lake Natoma Inn with limited convention space, Zittel Family amphitheater, museums, multiple shopping options, and a multi-story public parking structure.
- Folsom Lake Recreation Area - 19,000 acres of hiking, cycling, camping and water sports around Lake Folsom and Lake Natoma. Lake Natoma is a passive lake ideal for hosting the NCAA and California Rowing Championships and kayaking. Lake Natoma and Folsom Lake host multiple running, cycling, triathlon, and rowing races and is also ideal for boating, fishing, and swimming.
- Harris Center for the Arts - \$50M facility opened in 2011, hosts over 400 public events, such as the Symphony, Theatre, performances, Ted Talks, Disney, Swan Lake, and singer Nick Carter for over 150,000 patrons annually.



**Top Left:** Historic Folsom  
**Top Right:** Granite Beach at Folsom Lake  
**Above:** Harris Center for the Arts

# COMMUNITY ASSETS

- Folsom Lake College (“FLC”) - a part of Los Rios Community College District. The college now has well over 6,600 students and offers over 100 courses with the new \$81 million Oak Hall Science Center opening next year.
- Andy Morin Sports Center - an enclosed center has batting cages, pitching mound, indoor/outdoor basketball, indoor/outdoor soccer, indoor volleyball, small meeting room and ping pong tables.
- Steve Miklos Aquatic Center - a 10-lane 50-meter pool, separate pool with floating basketball hoop, and a third kid safe pool with a water play structure and a 2-story water slide. During the summer, patrons are challenged by a giant floating obstacle course in the 50-meter pool.



**Left:** Folsom Lake College  
**Middle:** Steve Miklos Aquatic Center  
**Right:** Andy Morin Sports Center

# COMMUNITY ASSETS

- Folsom Rodeo Grounds – Every July 3-5, the Rodeo comes to town with bull riding, barrel racing, roping, mutton busting, fireworks, live music, and food for family friendly events.
- Folsom City Zoo Sanctuary - Animals at the zoo include bears, tigers, mountain lions, bobcats, foxes, wolves, wolf hybrids, coyote, sheep, mule deer, macaques, squirrel monkeys, raccoons, skunks, eagles, parrots, and ravens.
- Class 1 Bike Trails – 50+ miles paved for walking, running, hiking, and cycling.
- Dozens of community events are funded by the City and Chamber every year – see partial list on next page.



**Left:** Entrance to Folsom City Zoo Sanctuary  
**Middle:** Folsom Rodeo event  
**Right:** Aerial of Folsom Rodeo

# COMMUNITY EVENTS

- 55th Annual Hangtown Motorcross Classic - over 400 riders and 25,000 spectators regularly attend. It is held at Prairie City State Vehicular Recreation Area just south of Highway 50.
- California International Marathon - 40<sup>th</sup> Annual and 9<sup>th</sup> largest marathon in the U.S. This marathon contributes over \$11M to the region, is #1 for Boston qualifier, U.S. Olympic Trials qualifier and starts in Folsom.
- 31<sup>st</sup> Annual Folsom Handcar Derby – The Railroad Association has hosted the annual Folsom Handcar Derby, where local groups compete to get their handcar across the finish line in the fastest time.
- American River 50-mile Race – Approximately 400 runners for 2<sup>nd</sup> largest 50-mile race in the nation starts at Folsom Point (Folsom Lake) and ends Auburn Dam Overlook.
- Rio Del Lago 100-mile Race – Qualifier for the prestigious Western States 100 Mile Endurance Run. Approximately 250 runners start and end at Beals Point (Folsom Lake).



Top: California International Marathon

Above Left: Folsom Handcar Derby

Above Right: Hangtown Motorcross Classic

KOSMONT COMPANIES

12



## 2. EXECUTIVE SUMMARY – EXISTING CONDITIONS

CITY OF FOLSOM – EDAP



## DEMOGRAPHIC / EMPLOYMENT OVERVIEW

- Per ESRI July 2024 data, Folsom has a **Population** of ~89,600 (31,400 households).
- **Average Household Size** is 2.8 persons, lower than County/State, and the **Median Age** is 39 years, older than County and State median of 37 years old.
- City **Average Household Income** is \$178,500, approx. ~56% higher than County and 36% higher than statewide levels. Folsom residents generate \$1.3 billion in annual retail spending potential across major retail categories.
- Per ESRI July 2024 data, Folsom businesses have ~42,500 **Employees** with a resident workforce of ~7,000 people.
- **Jobs in the City** are primarily in *Professional, Scientific, and Tech Services / Retail Trade / Health Care and Social Assistance / Public Administration / Accommodation and Food Services*. Of these five, four are part of the fastest growing industries in Sacramento County (shown in italics).
- **Residents of the City** are primarily employed in Healthcare and Social Assistance / Professional, Scientific, and Tech Services / Public Administration / Retail Trade / Educational Services.



See Appendix A.2 and A.3

Sources: ESRI Business Analyst Online; Zillow.com; U.S. Census Bureau Center for Economic Studies, California Employment Development Department, ESRI Business Analyst Online

## ECONOMIC TRENDS

- Economic forces are reshaping local economies across the State:
  - Today's consumers are using online websites for purchasing a broad array of goods. As **e-commerce continues to take an increasing percentage of consumer spending**, cities must take new approaches to land use that explore concepts for public amenities and private attractions that help cities **capture trips** and thus “sales”.
  - Younger **consumers**, with increased use of media and digital communication, **seek gathering places with restaurants, entertainment venues and experiential retail**, rather than simply a collection of traditional store fronts.
  - **Telework dynamics have drastically changed work patterns** over the past few years and are poised to reshape office needs. Creative class professionals are attracted to communities with clustered centers, which provide a sense of vitality, diversity, convenience and a mix of work, entertainment, services, arts and culture.
- In light of these trends, Kosmont is assisting the City in achieving its economic objective by providing market analysis and recommendations with a goal to foster economic vitality in the City, improving business conditions and resident quality of life.



**Sources:** Kosmont Companies, CoStar, Coresight Research, Cowen & Company, Cushman & Wakefield, ICSC, St. Louis Federal Reserve, UBS, U.S. Census Bureau, St. Louis Federal Reserve,



# ECONOMIC GROWTH COMPARISON

To help understand the City's ability to capture a fair share of regional growth, Kosmont has done research on how the economic development policies, tax rate/impact fees, incentive policies affect commercial/industrial growth for three main competitor cities and Folsom.

Folsom is the smallest of the cities in terms of land area (approx. 1/3<sup>rd</sup> less) and population (about 50% less) than Roseville and Elk Grove. Each of the other cities has dedicated economic development department and have passed sales tax initiatives from 0.5% to 1.0% to raise funds for public services and economic development.

## **Retail**

Folsom has 6 million square feet ("SF") of retail - there has been over 600,000 SF of net absorption - resulting in vacancy dropping from 11% to just over 3%.

Folsom average asking rents of \$28.00 psf are the highest in the comparative set.

Elk Grove is most competitive city, with over 500,000 SF of new development and 800,000 SF of net absorption, 2% vacancy and \$27.50 psf average rents.



Source: Kosmont Companies

# RETAIL MARKET OVERVIEW

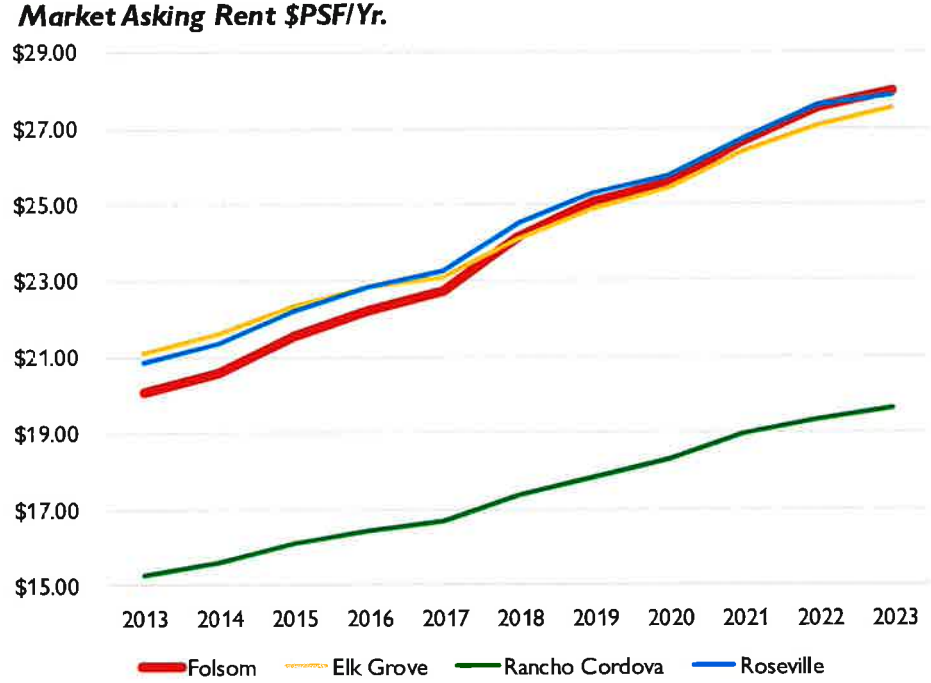
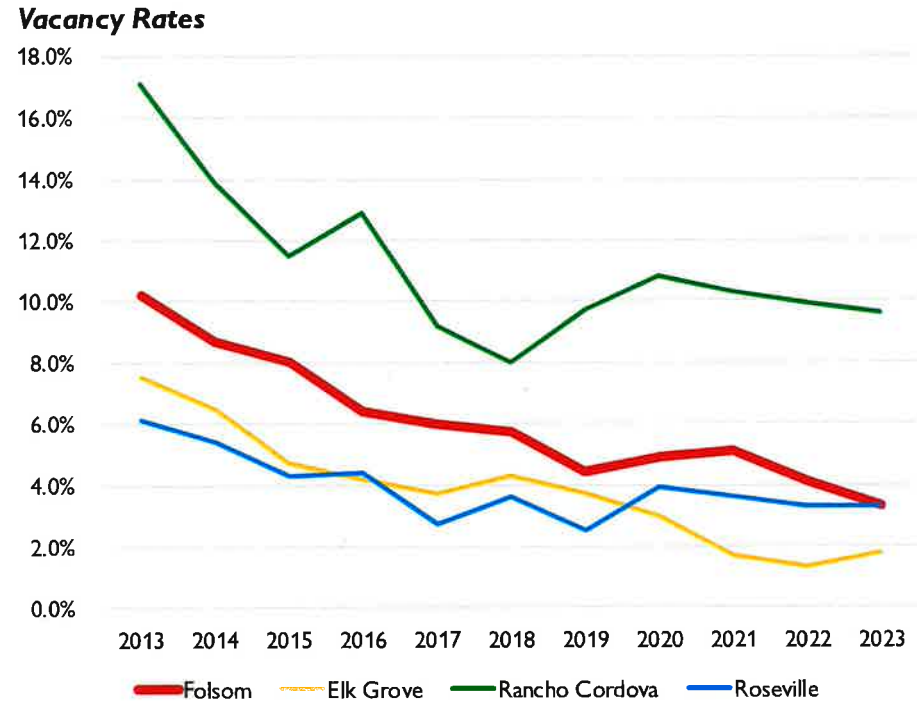
|                              | Q4 2023        |                   |                        |                   |
|------------------------------|----------------|-------------------|------------------------|-------------------|
|                              | City of Folsom | City of Elk Grove | City of Rancho Cordova | City of Roseville |
| <b>Availability</b>          |                |                   |                        |                   |
| NNN Rent \$PSF/Yr.           | \$21.12        | \$24.32           | \$17.75                | \$22.93           |
| Market Asking Rent \$PSF/Yr. | \$27.97        | \$27.54           | \$19.66                | \$27.86           |
| Vacancy Rate                 | 3.3%           | 1.8%              | 9.6%                   | 3.3%              |
| Vacant SF                    | 210,967        | 122,502           | 411,600                | 380,794           |
| Net Absorption               | (6,542)        | (1,213)           | 16,286                 | 14,012            |
| <b>Inventory</b>             |                |                   |                        |                   |
| Existing SF                  | 3,435,000      | 6,779,000         | 4,288,000              | 11,654,000        |

**Source:** CoStar (Accessed February 2024); **Note:** CoStar defines Triple Net (NNN) as tenant is responsible for all expenses associated with their occupancy. Market asking rents would likely command in the open market. Vacant space refers to all space that is not occupied by a tenant regardless of availability or lease obligation. Available space is the amount of space currently being marketed as available for lease or sale. Negative net absorption refers to the fact that more tenants vacated retail space as opposed to renewing or expanding.



# RETAIL MARKET HISTORY

## 2013 – 2023



Source: CoStar (Accessed February 2024)

# OFFICE/INDUSTRIAL DEVELOPMENT TRENDS

## *Office*

- Folsom has over 5.4 million SF of office space, but like most cities, it has seen higher vacancy due to Covid, increasing to over 8%. Minimal new Class A office development in past decade.
- Average asking rents are highest in comparative set at \$28.20 psf.
- Elk Grove is competitive city, with over 200,000 SF of new development and 400,000 SF of net absorption, 2% vacancy and \$27.90 psf average rents.
- Rancho Cordova has much larger base of office space at over 8 million SF, but it has had 300,000 SF of negative absorption in past decade and a recent 23% vacancy rate and \$23 psf average rents.

## *Industrial*

- Folsom industrial inventory is 1.7 million SF – 1/10th of Rancho and Elk Grove combined inventory with zero growth in past decade.
- The other cities have more distribution space, which has much lower development value and employment opportunities.

# OFFICE MARKET OVERVIEW

|                              | Q4 2023        |                   |                        |                   |
|------------------------------|----------------|-------------------|------------------------|-------------------|
|                              | City of Folsom | City of Elk Grove | City of Rancho Cordova | City of Roseville |
| <b>Availability</b>          |                |                   |                        |                   |
| Gross Rent \$PSF/Yr.         | \$27.97        | \$31.79           | \$22.02                | \$25.41           |
| Market Asking Rent \$PSF/Yr. | \$28.20        | \$27.86           | \$23.27                | \$26.37           |
| Vacancy Rate                 | 8.2%           | 2.3%              | 23.0%                  | 12.6%             |
| Vacant SF                    | 445,426        | 59,446            | 1,895,372              | 1,271,558         |
| Net Absorption               | (65,768)       | 7,547             | (64,932)               | 44,165            |
| <b>Inventory</b>             |                |                   |                        |                   |
| Existing SF                  | 5,431,346      | 2,599,253         | 8,236,694              | 10,099,988        |

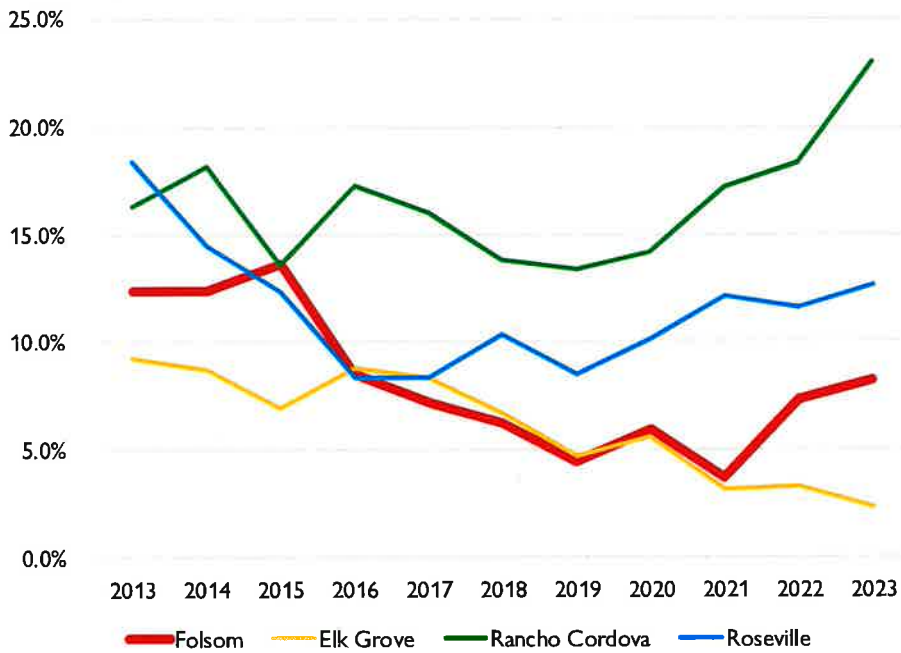
**Source:** CoStar (Accessed February 2024); **Note:** CoStar defines Full Service / Gross Rent as "a rental that includes normal building standard services paid by the landlord." Market asking rents were also observed to show the rental income that a property would likely command in the open market. Vacant space refers to all space that is not occupied by a tenant. Available space is the amount of space currently being marketed as available for lease or sale in a given time period. Negative net absorption refers to the fact that more tenants vacated retail space as opposed to renewing or expanding.



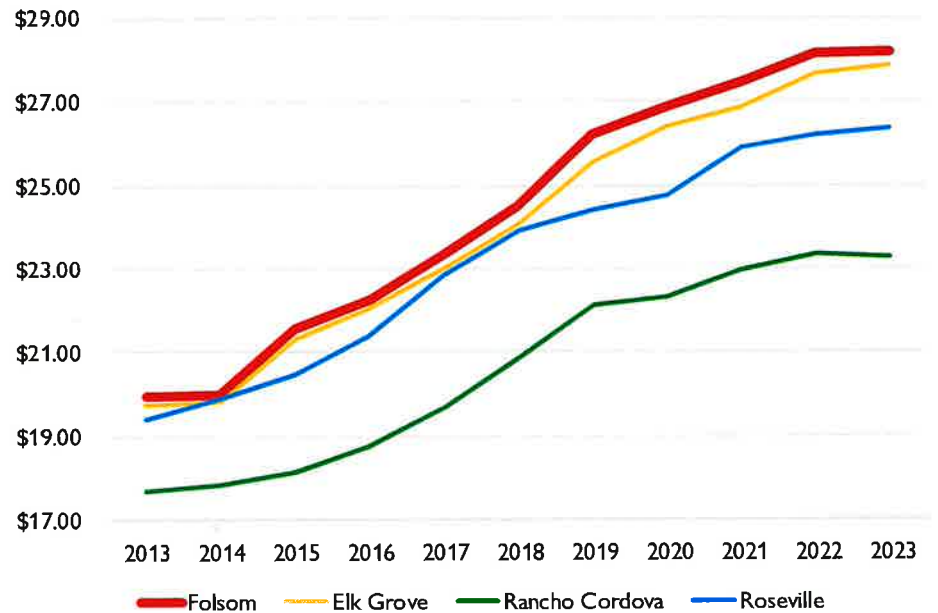
# OFFICE MARKET HISTORY

## 2013 – 2023

**Vacancy Rates**



**Market Asking Rent \$PSF/Yr.**



Source: CoStar (Accessed February 2024)

# INDUSTRIAL / FLEX MARKET OVERVIEW

|                              | Q4 2023        |                   |                        |                   |
|------------------------------|----------------|-------------------|------------------------|-------------------|
|                              | City of Folsom | City of Elk Grove | City of Rancho Cordova | City of Roseville |
| <b>Availability</b>          |                |                   |                        |                   |
| NNN Rent \$PSF/Yr.           | \$19.56        | \$13.33           | \$11.02                | \$14.66           |
| Market Asking Rent \$PSF/Yr. | \$16.92        | \$10.93           | \$12.15                | \$13.23           |
| Vacancy Rate                 | 3.5%           | 1.1%              | 10.4%                  | 4.3%              |
| Vacant SF                    | 61,374         | 57,635            | 1,435,426              | 330,187           |
| Net Absorption               | (36,042)       | 600,777           | (205,918)              | (175,957)         |
| <b>Inventory</b>             |                |                   |                        |                   |
| Existing SF                  | 1,735,817      | 5,343,048         | 13,868,516             | 7,746,252         |

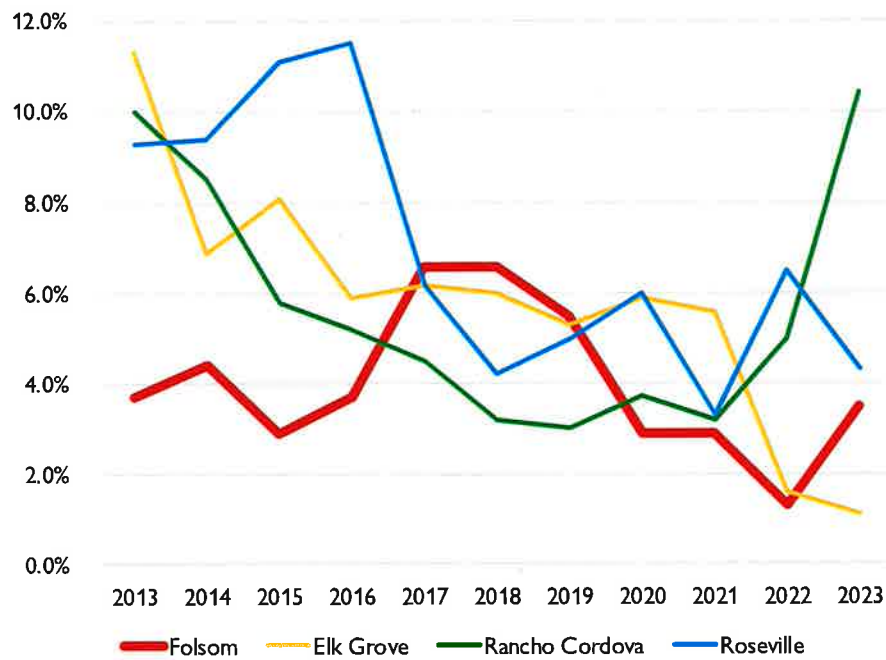
**Source:** CoStar (Accessed February 2024); **Note:** CoStar defines Triple Net (NNN) as “a lease where the tenant is responsible for all expenses associated, except long-lived structural components and management charges.” Market asking rents would likely command in the open market. Vacant space refers to all space that is not occupied by a tenant regardless of availability or lease obligation. Available space is the amount of space currently being marketed as available for lease. Negative net absorption refers to the fact that more tenants vacated retail space.



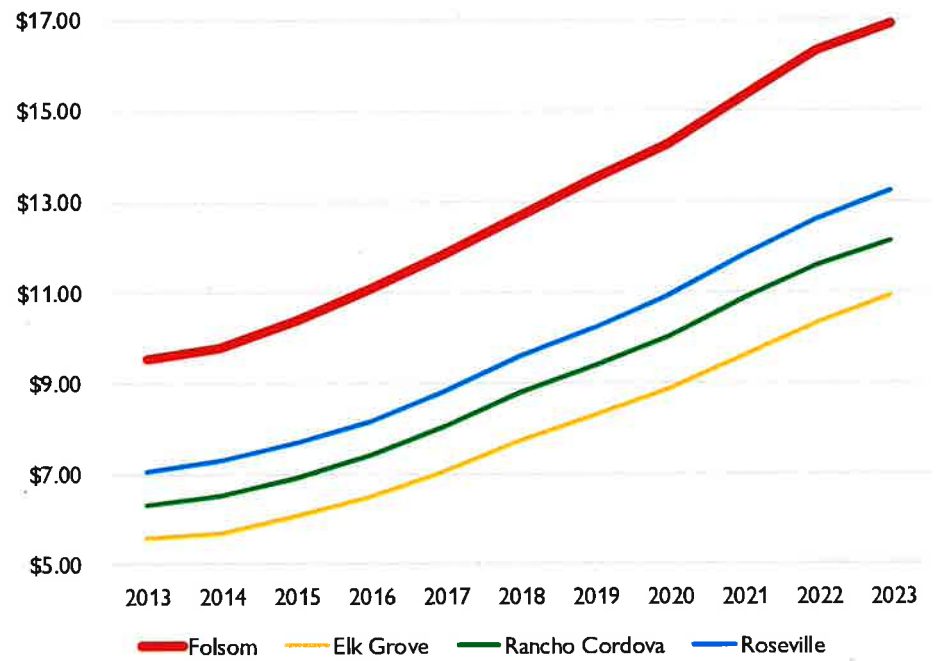
# INDUSTRIAL / FLEX MARKET HISTORY

## 2013 – 2023

**Vacancy Rates**



**Market Asking Rent \$PSF/Yr.**



Source: CoStar (Accessed February 2024)



# RESIDENTIAL AND HOTEL MARKET DEMAND

## **Multifamily Residential**

- The multifamily market in Folsom is relatively large (~6,700 units) and strong with sub 5% vacancy and asking rents 18% and 32% higher than the 10-mile radius and County, respectively.
- In the last decade, Folsom added 1,900 units. 1,350 units are currently under construction, with an additional nearly 600 units proposed.
- The COVID-19 pandemic accelerated demand for multifamily residential, as more people began working and shopping from home. Office type amenities being provided in new housing development.
- Folsom's 8-Year RHNA requirement is to add 6,363 total housing units, including more than 3,500 very-low and low-income units.

## **Hospitality (Hotel)**

- The Folsom Hotel Market Area includes 45 operational hotels (4,900 rooms) located within a 10-mile radius of Bidwell St. and Blue Ravine Rd. Hotels vary in class between economy and upper upscale.
- Prior to the pandemic, hotel occupancy within the observed Market Area was ~75% and most hotels performed well most of the year, except for winter months (November to January).
- Although hotels in the area are performing better compared to the early years of the pandemic, average occupancy, ADR, and RevPAR still fall short of pre-pandemic years.
- High-level demand projections for hotel room nights show that there is support for ~500 rooms in the next 10 years. This demand for room nights will likely be met by hotels currently under construction, or in final planning.



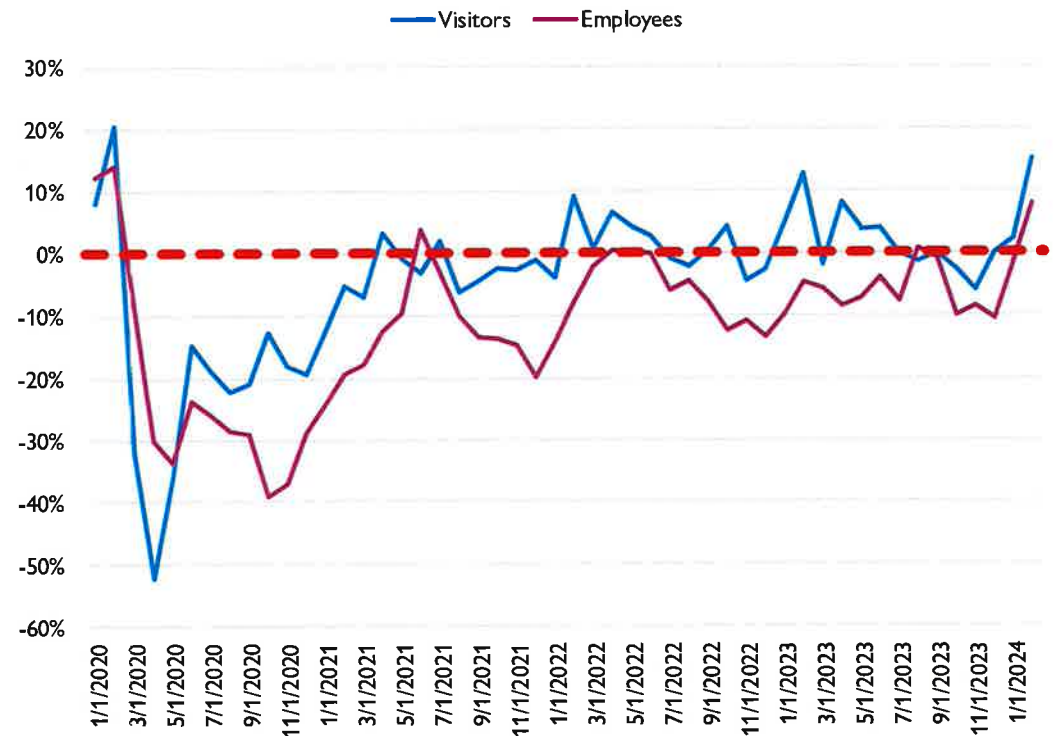
See *Appendices B.5 and B.6*

Sources: CoStar (Accessed December 2023)

# PLACER.AI LOCATION ANALYSIS

Placer.ai is a mobility data provider that tracks daily movement of over 30 million people in the U.S. via anonymized mobile app data. This information reveals travel trends to/from major events, shopping centers, and other places of interest – providing insight into retail center trade areas, hourly and daily visitation statistics, and consumer demographic characteristics.

- Visits to the City by visitors and employees dropped sharply at the start of the COVID-19 pandemic.
- Visits by visitors to the City returned to pre-pandemic levels beginning April 2021. Visitor traffic has averaged **1% greater** than pre-pandemic levels fluctuating between -6% and 15% compared to the 2019 baseline.
- Visits by employees to the City returned to pre-pandemic levels beginning June 2021. Since then, employee visits have averaged **7% less** compared to the 2019 baseline due to the increasing number of people working from home.



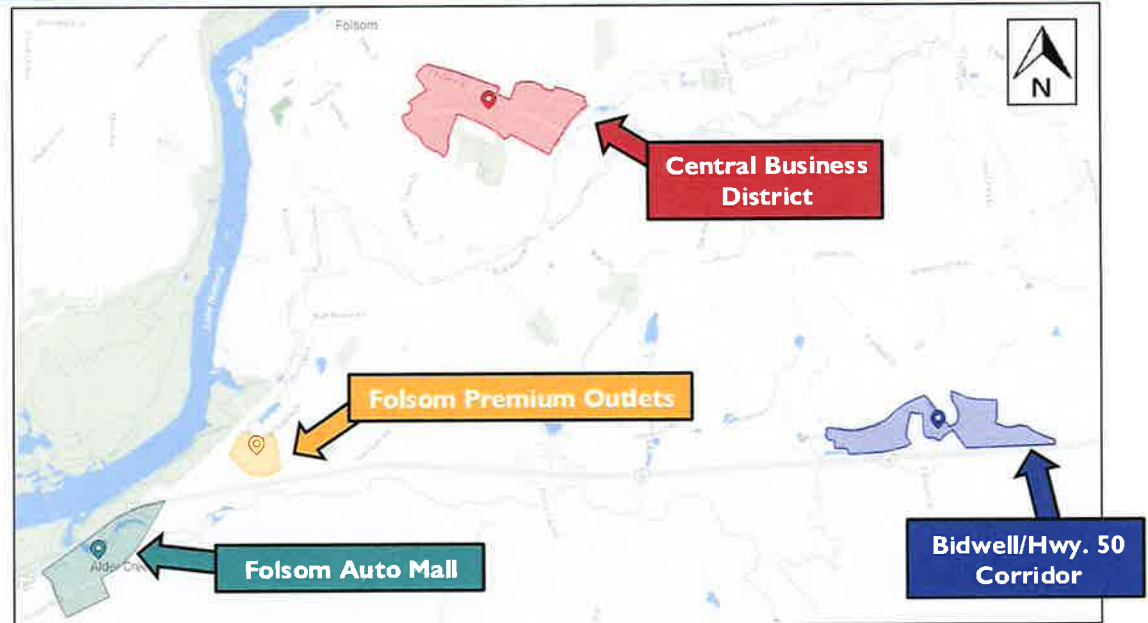
See Appendix A.4

Sources: Placer.AI (Accessed March 2024)

## PLACER.AI LOCATION ANALYSIS (CONT'D)

Using Placer.ai, Kosmont examined visitation trends for key locations in the City compared to a 2019 baseline.

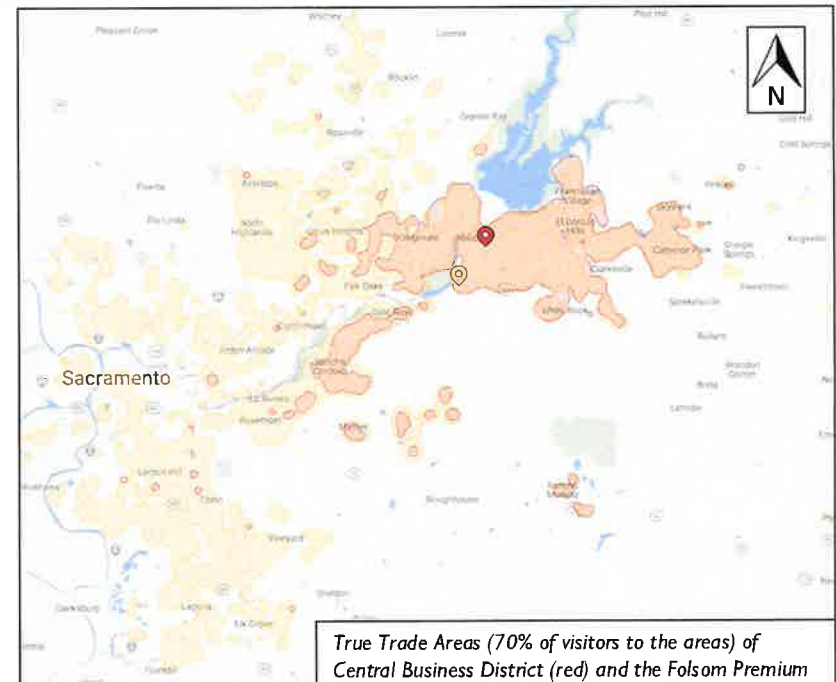
- Locations observed in this analysis include: Bidwell/Hwy. 50 Corridor [defined as the retail centers on both sides of Bidwell St., south of Iron Point Rd., and north of Hwy. 50], Folsom Auto Mall, Folsom Premium Outlets, and Central Business District [defined as the retail centers along Bidwell St. with the Kohl's Shopping Center and Walmart Center on the western boundary and the Target and Sprouts anchored centers on the eastern boundary].
- Three locations were able to recover and receive visitors either at or above pre-pandemic levels. The only observed area that has yet to fully recover from the effects of the pandemic is the Folsom Premium Outlets with about 20% fewer visits on average compared to 2019.



See Appendix A.4  
Sources: Placer.AI (Accessed March 2024)

## PLACER.AI LOCATION ANALYSIS (CONT'D)

- The Bidwell/Hwy. 50 Corridor received ~155,500 median weekly visits, with 62% of visitors coming from within 7 miles. Most visits to the Corridor occur in the early afternoon on Fridays through Sundays.
- The Folsom Auto Mall received 68% of visitors coming from within 7 miles. Compared to the other three areas examined, visits to the Auto Mall are evenly distributed throughout the week – each day receives about 15% of total, with most of its visitors in the early afternoon.
- Central Business District experienced ~230,700 median weekly visits with 65% of visitors arriving from within 7 miles. Most visits occur on Fridays and Saturdays in the early and later afternoon hours, peaking on Saturdays.
- Folsom Premium Outlets received ~36,600 median weekly visits with just 42% of visitors coming from 7 miles or less. The outlets have a significantly larger trade area compared to other observed locations, with a large minority (37% of visitors) coming from 10-30 miles away to shop at the Outlets. A majority of visits occur on weekends. Despite the larger trade area, visitor traffic has remained 20% below pre-pandemic levels.



*True Trade Areas (70% of visitors to the areas) of Central Business District (red) and the Folsom Premium Outlets (yellow). The Outlets draw from a wider trade area, while Central Business District captures a much more local audience.*



See *Appendix A.4*

Sources: Placer.AI (Accessed March 2024)

## ROLE OF ECONOMIC DEVELOPMENT

The City has had to rely on reserve funds and cost cutting in recent years to balance budget, as growth in retail sales has not kept pace with cost inflation. Economic development is not a “silver bullet” that can instantly solve short term financial constraints, but if implemented as a priority, it can help with long term sustainability. It can:

- Assist City in achieving its strategic vision
- Identify development opportunities to help increase City tax base
- Facilitate growth of small businesses
- Focus on business expansion, attraction and retention

To evaluate development opportunities and their impact on City revenues, Kosmont prepared a table on the following page that illustrates the annual tax revenues typically generated by a wide range of private sector development to help the City identify marketing priorities that benefit long term fiscal stability.



Sources: Kosmont Companies, City of Folsom

## ILLUSTRATIVE FISCAL IMPACT OF NEW DEVELOPMENT

To show the impact of various development types on City revenues, the table below provides an illustration of incremental tax revenues potentially generated from various development on a **hypothetical 2-acre parcel** in the Opportunity sites.

|                                     | Top Fast-Casual Restaurant | Auto Dealerships | (2) 5,000 SF Restaurants | 50-unit Multifamily Housing | Mixed Use 40-units & 5,000 SF | 100-room Upscale Hotel |
|-------------------------------------|----------------------------|------------------|--------------------------|-----------------------------|-------------------------------|------------------------|
| Property Taxes + VLF in-lieu        | \$10,000                   | \$50,000         | \$20,000                 | \$65,000                    | \$55,000                      | \$70,000               |
| Direct Sales & Use Taxes*           | \$75,000                   | 500,000          | \$50,000                 |                             | \$25,000                      |                        |
| Indirect Sales & Use Taxes          |                            |                  |                          | \$10,000                    | \$5,000                       | \$30,000               |
| Hotel TOT                           |                            |                  |                          |                             |                               | \$300,000              |
| <b>Annual General Fund Revenues</b> | <b>\$85,000</b>            | <b>\$550,000</b> | <b>\$70,000</b>          | <b>\$75,000</b>             | <b>\$95,000</b>               | <b>\$400,000</b>       |



Note: \*City share of taxable sales is 1%

# STAKEHOLDER OUTREACH

Kosmont met with numerous business leaders to understand their business operations and hear their observations on the opportunities and challenges facing the City.

Overview of comments:

- No major problems with City staff mentioned for large scale development.
- CBRE said City was easiest to work with for tenant improvement (TI) permits in Sacramento County.
- However custom home and small business permits / design review has at times been inconsistent in plan check processing and requirements.
- No large-scale community opposition to new development, except for Historic District.
- Council needs to adopt a Mission Statement and staff must be instructed to implement it.
- Need to educate everyone – what is Econ Dev? it is not “more development”.

One significant theme discussed was the turnover in the Council and retirement of key staff. Several business leaders stated that for the past 20 years there was a great working relationship with the Council and staff that identified the City objectives, provided staff with direction to allow development to proceed in a timely manner. Now staff tends to use “by the book” approach rather than “let’s figure out how to solve the problem”.



Sources: Economic Planning Systems, City of Folsom

# SWOT ANALYSIS SUMMARY

Kosmont has summarized City strengths, weaknesses, opportunities and threats (“SWOT”).

## Strengths

- Folsom is a fast-growing community doubling in population in past 25 years, and adding hundreds of new homes each year.
- City is home to a major high-tech economy (semi-conductor chip design) with thousands of employees.
- There is a skilled labor pool for Professional, Scientific, and Tech Services that can help attract more companies (50% of workforce has Bachelor’s degree).
- Entrepreneurial spirit with dozens of innovative start-up companies.
- Strong regional retailers (Costco, Target, Auto Mall).
- Significant outdoor amenities and recreational venues (Folsom Lake / Lake Natoma).



Sources: Economic Planning Systems, City of Folsom

## Weaknesses/Threats

- Prop 13 limits on property tax growth and low retail sales tax growth have created General Fund financial constraints.
- Limited number of City owned development sites.
- Poor signage / activity at Premium Outlets.
- Small business community indicated challenges with development permitting processes.



# SWOT ANALYSIS SUMMARY

## Opportunities

- Historic Folsom is a unique regional draw with boutique shops, fine dining, and entertainment.
- Central Business District has several large infill sites that can grow with mixed-use development (D.O.R.®). \*
- Ability to leverage Intel and Micron Technology others to attract more high-tech uses.
- Light rail system with three City stations connecting Rancho Cordova & downtown Sacramento offer transit oriented development (TOD) housing opportunities
- Strong regional demand for single family housing increases the tax base.
- Use of public financing and value capture tools can facilitate development / redevelopment\*.

\*See Section 6 – Economic Development Tools



Sources: City of Folsom

- Folsom Plan Area can provide unique housing, commercial and recreational opportunities.
- There are additional annexation opportunities south of Hwy 50 worth analyzing.
- Measure G sales tax could be major funding source for Economic Development, parks and recreation and public services.
- Folsom is well positioned to support high tech jobs and provide an outstanding quality of life for its residents.



### 3. EDAP STRATEGIES

CITY OF FOLSOM – EDAP



# STRATEGIES / PROPOSED ACTION PLAN

Kosmont has identified Economic Development Strategies and an estimated investment range in order of priority for City’s consideration. Here is a summary that is followed by supporting detail and action items:

1. Establish Business Incentive Program for targeted retail / commercial (Est. Cost \$\$\$ per year)\*
2. Establish Economic Development Department / Manager (Est. Cost \$\$ per year)\*
  - a) Business Enhancement, Attraction & Retention
  - b) Gather Performance Metrics to measure annual progress
3. Utilize Value Capture (Est. Cost \$\$ one time)\*
  - a) Central Business District Reimagination
  - b) Private Sector Real Estate Assets
  - c) City Real Estate Assets
4. Analyze Annexation Opportunities (Est. Cost \$ one time)\*

|               |                               |
|---------------|-------------------------------|
| <b>\$</b>     | <b>\$ 50,000 to \$100,000</b> |
| <b>\$\$</b>   | <b>\$100,000 to \$300,000</b> |
| <b>\$\$\$</b> | <b>\$300,000 to \$500,000</b> |



Source: Kosmont Companies

# 1. BUSINESS INCENTIVE PROGRAM

There are a wide range of business and economic development incentive programs utilized by communities across the State. The City can create such a program, but first it is important to set specific goals (e.g. assist small business, expand job creation, attract major tax generator, attract downtown development) and create a system to measure the success of each initiative. Cost of implementing can vary: job credits, façade improvement and infrastructure represent out of pocket costs, while tax sharing agreements and fee waivers are offset by new development tax revenues.

Examples of incentives include:

- Fast track permitting
- Tax sharing agreements / tax abatements
- Job tax credits / Workforce training
- Façade Improvement Program
- Infrastructure investment
- Fee waivers / deferrals in targeted areas

See Section 4 – Regional Econ Dev Comparison for specific examples of incentives used by key nearby cities



Source: Kosmont Companies

# 1. BUSINESS INCENTIVES (CONTINUED)

- Development Impact Fees can be an obstacle to redevelopment of older underperforming centers, as well as new construction in Folsom Plan Area. Site specific incentives may potentially create prevailing wages requirement. City should re-examine its new commercial development fee schedule and consider establishing a citywide policy of Impact Fee Credits to encourage redevelopment opportunities similar to the Sacramento County policy discussed below.
- A strategy used by Sacramento County allows developers to receive (harvest) a pro rata credit for impact fees from demolition of existing commercial centers against impact fees for new redevelopment. The Sacramento County Ordinance is credited for the redevelopment of How Bout Arden (HBA), Country Club Centre and Country Club Plaza to name a few.
- The Ordinance provides credits from demolition of commercial buildings on a square footage basis. The credit captures Road, Water and Drainage, and other fees and can be applied towards the impact fees required for construction of new square footage. The credit has a term of three years and can be extended for one additional year. The credit can also be used on different assessor parcels if the parcels are contiguous.



Source: Kosmont Companies

## 2. ECONOMIC DEVELOPMENT DEPT. / MGR.

A vibrant business sector is important to the fiscal health of the City. Business Expansion, Attraction and Retention (“BEAR”) is the keystone of most economic development departments.

Business-friendliness (“How to get to Yes”) is a vital component to support the needs of businesses, developers and to foster entrepreneurship, and bolster the local economy.

The City currently utilizes TEDCorp (Choose Folsom) to perform economic development activities. TEDCorp recommended that Folsom have internal Economic Development staff dedicated to BEAR and to be the point person for issues raised by and affecting businesses. TEDCorp can continue to provide its services (as summarized on the following slide), but this would allow them to increase activity in support of existing and new businesses, and be more proactive on economic strategies.

Kosmont suggests a phased-in approach for an Economic Development Dept., starting with hiring a City Economic Development Manager, who reports to the City Manager. Their first priority would be to coordinate implementation of the EDAP.



Source: Kosmont Companies

## 2. ECONOMIC DEVELOPMENT DEPT. (CONT.)

### TEDCorp's Current Role:

- Complete at least 3 Corporate Business Retention calls/quarter.
- Serve as primary contact with GSEC and participate in EDDT meetings.
- Partner with City, County GSEC, 50 Economic Alliance on Business Attraction efforts.
- Provide regular communications and marketing assistance to Folsom businesses.
- Provide outbound marketing for Folsom Economic Development and Tourism.
- Facilitate attraction and development of Special Events.
- Provide entrepreneurial support at Granite School as a center of excellence for innovation and entrepreneurship.
- Continue pursuing the formation of the Northern California Innovation District (NCID).
- Maintain Tourism and Economic Development (non-City) Websites.
- Participate in City's Strategic Plan, River District, Central Business District Master Planning Projects.
- Conduct and lead study missions and community visits.
- Serve as the Film Commission.
- Serve as liaison between private developers and the City and serve as a mediator when needed.



Source: Kosmont Companies

## 2. ECONOMIC DEVELOPMENT DEPT. (CONT.)

### Recommended BEAR Action Items:

Action Item 1: Develop technical assistance programs to support emerging businesses/entrepreneurs in the City.

Action Item 2: Proactively work with business/property-owners to understand challenges and opportunities that may align with the City's economic development goals (e.g. Auto dealers are number one tax generators). Regularly contact the top 25 Sales Tax generators / employers / suppliers.

Action Item 3: Conduct outreach and collaborate with property owners to explore development opportunities and address challenges that can bring new uses to privately-owned sites.

Action Item 4: Standard plan check review process with a set number of days for initial submission and subsequent submittals.

Action Item 5: Utilize Economic Development resources to assist in implementation.

Action Item 6: Utilize grant writing firm to pursue Federal / State grants for revitalization projects.

Action Item 7: Attend ICSC and other conferences to meet with major retailers / restaurants / hotels / developers / brokers.



Source: Kosmont Companies



## 2. ECONOMIC DEVELOPMENT DEPT. (CONT.)

### Performance Metrics

In order to track economic development progress, it is important for City to maintain annual business and development data analytics to keep on top of economic and market trends:

1. Commercial Building Permits in Key Areas – measure commercial developer interest
2. Assessed Value of Commercial and Industrial Property – show increased private sector investment
3. Number and Type of Business Licenses – measure new business formations
4. Employment by Industry – show success in commercial and industrial business attraction and employment growth
5. Sales Tax Revenues by Geographic District – measure success in attracting businesses and economic activity
6. Hotel Tax Revenues – measure success in attracting more visitors
7. Hotel Visitor Survey – identify types of visitors, short term vs longer term stays
8. Annual Survey of Business Owners – identify issues regarding City permitting / zoning process and other programs
9. Special Event Data attendance estimates – show success of community outreach efforts



Source: Kosmont Companies

## 3. UTILIZE VALUE CAPTURE REAL ESTATE STRATEGIES

Public and private sector real estate can be important assets to leverage for long-term economic development benefits. While Folsom has limited publicly owned land available for new development, there are many large private sector properties that can be leveraged, as discussed on following slides.

### Capture Value from Private Real Estate

- From Value Capture Zoning™ - Development Opportunity Reserve (D.O.R.®) allows cities to create a “bank” of new density in zoning / specific plans, allowing them to give the density to projects that deliver community benefits & public amenities.\*
- From Tax Increment and Special Districts - Enhanced Infrastructure Financing Districts (“EIFD”) use property tax increment and Community Facility Districts (“CFD”) are tools to fund important local and regional infrastructure.\*
- From Public Private Partnerships - Enter into partnerships with property-owners to commit local government resources, help solicit development proposals that will advance both the property owner’s goals and the community’s goals.

### Capture Value from Public Real Estate

- Cities can use a variety of sale or lease strategies to capture the value of their properties, while also increasing the General Fund tax base.

*\*See Section 6 - Economic Development Tools for more detailed discussion*



Source: Kosmont Companies

# CENTRAL BUSINESS DISTRICT REIMAGINATION

The City has embarked on a Master Plan for the Central Business District. This area is the original commercial center with over a million square feet of retail uses. The area has large centers with vast parking fields. (See *Section 5 Opportunity Sites - for discussion of Kohl's and Wal-Mart centers.*)

Action Item 1: Consider changing zoning allowing residential uses on sites with large parking fields (See Section 6 discussion of D.O.R.® strategies).

Action Item 2: Consider programs that can help existing businesses thrive (such as façade improvement programs, streetery / outdoor retail) and help existing properties utilize their space (such as expanding allowable uses).

Action Item 3: Explore creation of Property Business Improvement District (PBID) to give area a unified image.

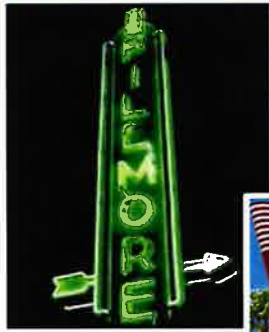
Action Item 4: Invest in enhancements such as gateway signage and wayfinding, public art, thematic street and sidewalk enhancements, and public open space.

Action Item 5: Explore feasibility of Enhanced Infrastructure Financing District to help fund infrastructure (See Section 6 discussion of EIFD financing strategies).



Source: Kosmont Companies

# PLACEMAKING BY DESIGN, DISTRICTS & EVENTS



Distinctive signs – such as the neon signs in Fillmore and the Star Theatre in Oceanside – can give an area a distinctive sense of place.



Events like the CicLAvia bike / walk fairs in Los Angeles and the Mission Inn Festival of Lights in Riverside, CA are memorable and engaging activations of public spaces.



Murals in downtown Providence, RI add character and highlight local artists and themes.



The Medical Street district in Lancaster, CA aims to be a blended use area centered around major medical anchors that includes many complementary uses.



## PRIVATE SECTOR REAL ESTATE ASSETS

There are private sector properties that can be major tax generators, including some that are suited for blended-use development including Auto Mall, Folsom Premium Outlets and Natoma Station Center.

### **The Auto Mall is underutilized and has significant tax generation opportunities**

- 1) City can use sales tax incentives to help attract new dealers (e.g. EV dealers) to ~6.09 acres of vacant parcels.
- 2) Possible high-end card room – could generate +\$1 million in tax revenues without impacting residential areas.

### **Folsom Premium Outlets is underutilized – Excellent TOD opportunity**

- 1) Outlets suffer from poor highway signage (possible Monument sign on Hwy 50).
- 2) Utilize suggested Fee Impact Credit Policy to incentivize Simon Properties to redevelop (possible D.O.R.® strategies).
- 3) Suggest incentives for new entertainment uses.

### **Natoma Station Center is in need of reimagination**

- 1) SyWest Development (owner) could consider repositioning the theater.



Source: Kosmont Companies

# CITY REAL ESTATE ASSETS

There are two major City properties that provide development opportunities and can generate long term lease revenues and expand the tax base.

## **Corporation Yard**

Program new site south of Hwy 50 and suggest putting the Corporation Yard property through the Surplus Land Act (SLA) process. Pursue Public Private Partnership to sell/lease property to a private developer for transition of Corporation Yard to new site and development of a Convention Center.

## **Glenn Station Property**

Consider putting the property through the SLA process to attract affordable developer in combination with market rate housing and commercial uses.



Source: Kosmont Companies

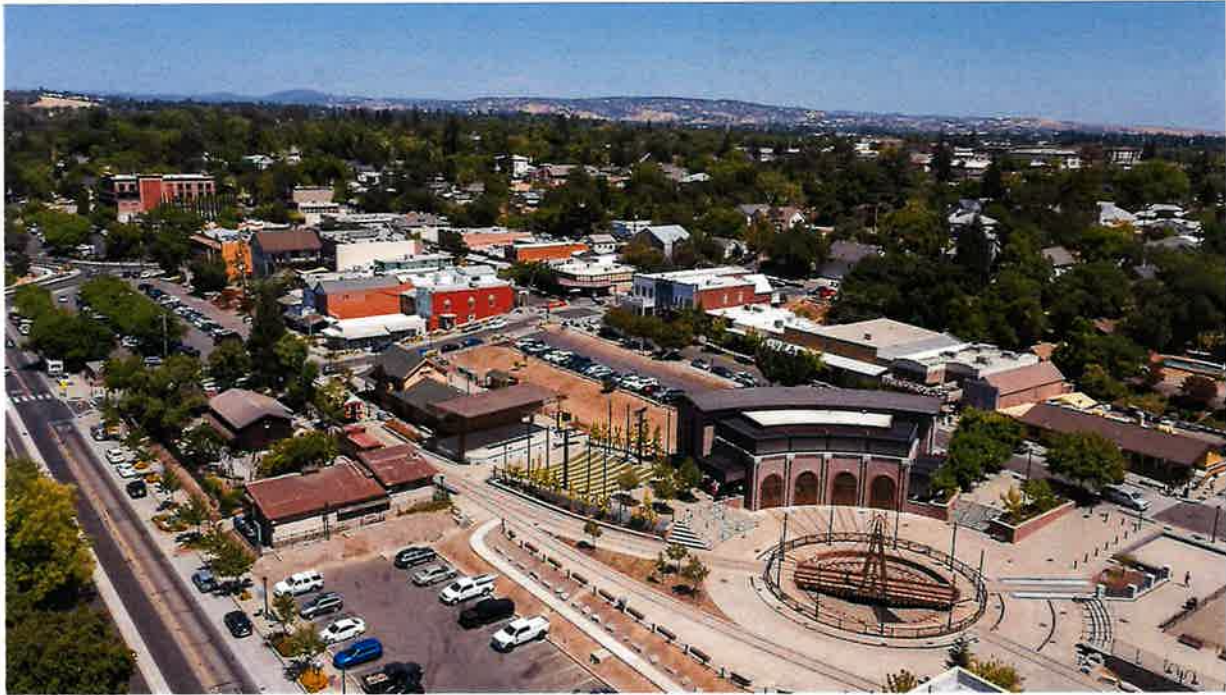
## 4. CONSIDER ADDITIONAL ANNEXATION

The City's Folsom Plan Area yielded significant growth to the City that has brought much needed residential, commercial, retail and recreation opportunities for residents. There may be other annexation opportunities that the City could analyze to determine potential fiscal and economic impacts.

The use of Development Agreements and Development Impact Fees, and Special District Financings can yield significant financial benefits to cover infrastructure and public facility costs and ongoing municipal service costs.



Source: Kosmont Companies



## 4. REGIONAL ECON DEV COMPARISON

CITY OF FOLSOM – EDAP





# REGIONAL ECONOMIC COMPARISON

To help understand the City’s competitive position, Kosmont has done research on how three key nearby competitive cities treat economic development, how their tax rate/impact fees and incentive policies compare with Folsom.

| <b>Economic / Demographic Comparison</b> |               |                  |                  |                       |
|--|---------------|------------------|------------------|-----------------------|
|  | <u>Folsom</u> | <u>Roseville</u> | <u>Elk Grove</u> | <u>Rancho Cordova</u> |
| <b>Population</b>                        | 89,000        | 152,000          | 179,000          | 80,000                |
| <b>Land Area (Sq Miles)</b>              | 28            | 44               | 42               | 35                    |
| <b>Econ Dev Program</b>                  | None          | 4 FTE’s          | 4 FTE’s          | 3 FTE’s               |
| <b>Sales Tax Initiatives</b>             | Measure G on  | 0.50%            | 1.00%            | 1.00%                 |



Source: Kosmont Companies

## COMMERCIAL IMPACT FEES

Folsom North of SR50 Commercial Impact Fees are competitive with other cities. However, the Folsom Plan Area fees are high, equivalent to \$75 per building SF, or \$1 million per acre of land area, versus \$16 to \$37 per building SF. This can be a major hurdle for attracting new retail/commercial development.

| Per 1,000 SF         | Folsom<br>N of 50 | Folsom<br>Plan Area | Rancho<br>Cordova | Elk Grove       | Roseville<br>(Infill) /1 |
|----------------------|-------------------|---------------------|-------------------|-----------------|--------------------------|
| Roads, Sac Co, A     | \$15,280          | \$2,300             | \$19,030          | \$12,660        | \$15,000                 |
| Water/Drainage       | \$253             | \$1,220             | \$601             | -               | -                        |
| Capital Imp Fee      | \$2,288           | -                   | -                 | \$1,640         | \$1,200                  |
| TMF, CWF ,LRF        | \$755             | \$150               | -                 | -               | -                        |
| Housing Trust Fee    | \$1,860           | \$1,860             | \$770             | \$1,030         | -                        |
| Plan Area Fee        | -                 | \$22,249            | \$15,920          | \$3,485         | -                        |
| SPIF                 | -                 | \$47,480            | -                 | -               | -                        |
| Capital Fire Fac Fee | -                 | -                   | \$1,325           | \$2,180         | \$300                    |
| <b>Total</b>         | <b>\$20,436</b>   | <b>\$75,259</b>     | <b>\$37,646</b>   | <b>\$20,995</b> | <b>\$16,500</b>          |



/1 Roseville has wide range of traffic, water and sewer fees based on specific types of commercial

# ROSEVILLE ECON DEV SUMMARY

## Economic Development Program Staff

City has 4 full time equivalent (“FTEs”) One Director, one Manager, one Project Manager, one Econ Dev Analyst.

## Incentives

- **Expedited Permit Process** – PASS Program guarantees 20-day initial turnaround and 10 day thereafter.
- **Fee Deferral Program**- Webpage lists examples (i.e. Pappas 1513 Eureka Rd Medical Office, fee deferral of \$1,864,622 until C of O).
- **Strategic Improvement Fund**- Funded Costco deal of \$6M then \$1.8M after 7 years. The \$6M was funded by the General Fund and the \$1.8 is a reimbursement of infrastructure by adjacent development over 7 years.
- **Infill Development** – Free predevelopment meetings with City staff representing various agencies to discuss proponent's project. Easy fill in form to submit to request meeting.
- **Downtown Roseville Facade Improvement Rebate Program**- Rebates up to \$10K.

# ELK GROVE ECON DEV SUMMARY

## Economic Development Program Staff

4 FTEs: One Director, one Manager and two Economic Development Specialists.

## Incentives

- **Project Elevate** – City owns 20 acres and RFQ to select developer. ERN didn't pan out and City is about to announce a new developer.
- **Startup Elk Grove Incentive Program** – Provides assistance to launching tech startups. Grants up to \$150k and facilities up to \$250k.
- **BReW Program** - Brewery, restaurants, wineries are eligible for financial assistance to develop, improve or expand. Matching grants to \$50k.
- **State and Federal Office Incentive Program** – Financial assistance to State/Federal agencies relocate headquarters. Granted \$4M in the past.
- **Retail and Hospitality** – Targeted tax rebate incentives. TOT share for “right” hotel.
- **Development Impact Fee Deferral Program** – Provides low interest loan for 5 years with nothing due the first 36 months.
- **Small Business Permit Assistance Program (PASS Program)** – Grants to \$10k for costs of permits for small businesses. Two staff members manage.
- **Project Review Team** – Fast-Tracked plan check. 1<sup>st</sup> round comments guaranteed in 7 days. Managed by a senior level staff representative.
- **OpenCounter**- Web based software program that enables project proponents to accurately estimate fees and permits 24/7.
- **Facade Improvement Program (FIXD)** Provides grant funding (up to \$50K) and design services for commercial exterior improvements.



# RANCHO CORDOVA ECON DEV SUMMARY

## Economic Development Program Staff

City has 3 FTEs; One Manager and two Jr staff.

## Incentives

- **Community Enhancement & Investment Fund** which is funded by Measures H and R, each ½ cent local sales measures approved 2014 and 2020. They are the overall funding source for incentives.
- **Jobs & Talent Program** that pays \$5k/job for max of \$100K (but with Council vote, can go higher) for at least 20 new net jobs that pay 125% above average wage.
- **Small Business** – Free business counseling, small business design assistance.
- **Expedited Permit Assistance**- Concierge service with as quick as a 10 day turn around on first plan check.



# 5. OPPORTUNITY SITE EVALUATION

CITY OF FOLSOM – EDAP



## PRIVATE SECTOR OPPORTUNITY SITES

Kosmont has identified several major retail centers in the City well suited for redevelopment/new business attraction. Many of these sites are older centers with large parking fields in excess of current parking standards.

1. Wal-Mart Center – a ~28.6-acre center with over ~20 acres of surface parking
2. Kohl's Center – an ~11-acre center with ~6 acres of surface parking
3. Premium Outlets – ~34.6-acre center with over ~25 acres of surface parking

The Folsom Auto Mall has significant freeway frontage vacant land (~6 acres) that could accommodate new dealerships, as well as an empty 5.7-acre VW dealership building being used as an auto detailing facility.

Natoma Station Crossing is a smaller center with a Century Theater that is performing poorly and could be a potential hospitality or multi-family development that would substantially increase tax revenues to the City.

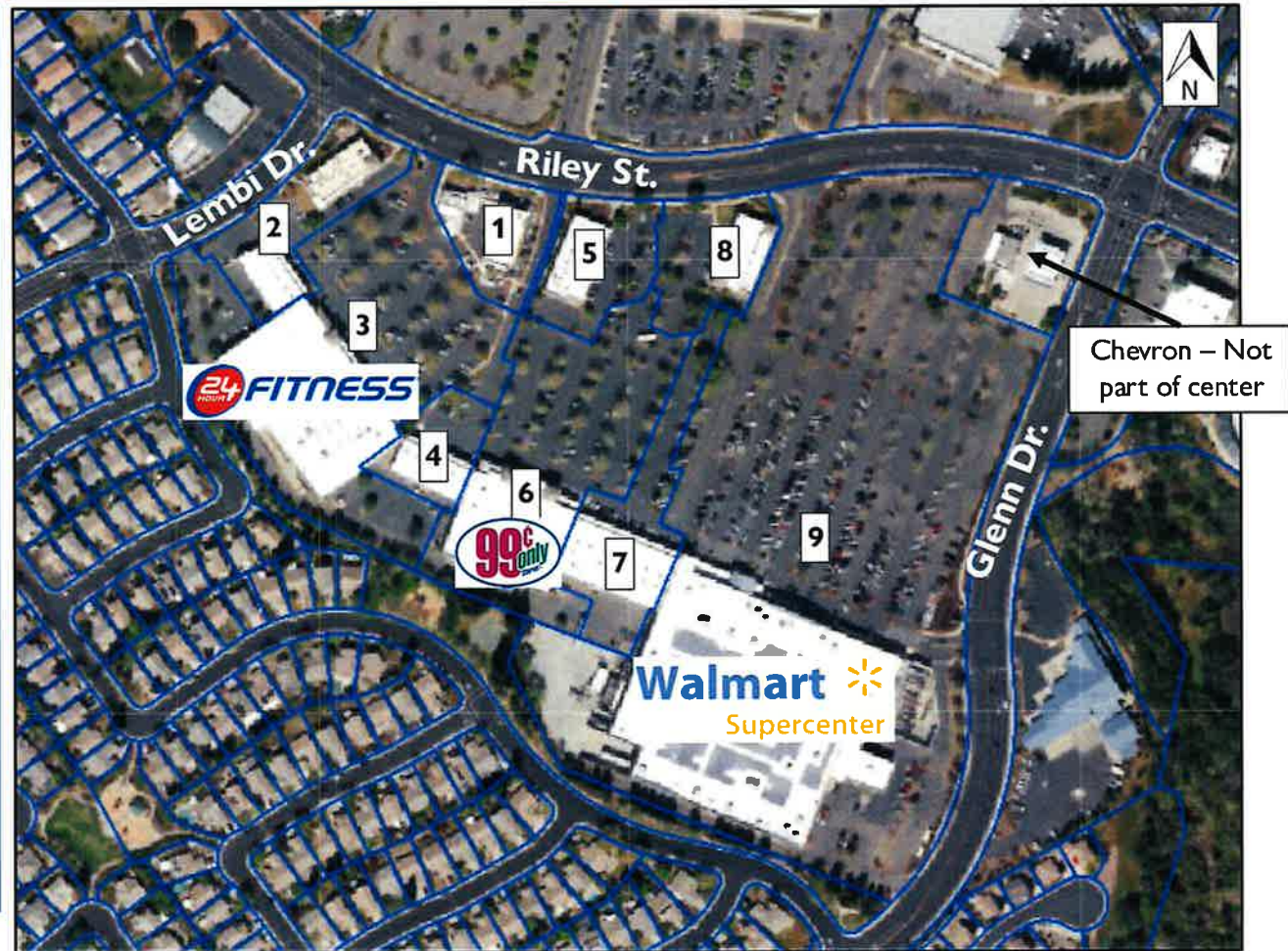
Aerial maps of each center are provided with major tenants and parcel ownership info on the following pages.



## OPPORTUNITY SITE #1: WALMART CENTER

### SITE PROFILE

- Address: 1000-1018 Riley St.
- Total Lot Area: 28.56 acres
- Total Building Area: 313,066 SF GLA
- Owners: Nazareth Retail Holdings LLC; Wal Mart Real Estate Trust
- Assessed Value: \$63,414,000
- Potential Opportunity: 200-300 unit multi-family development



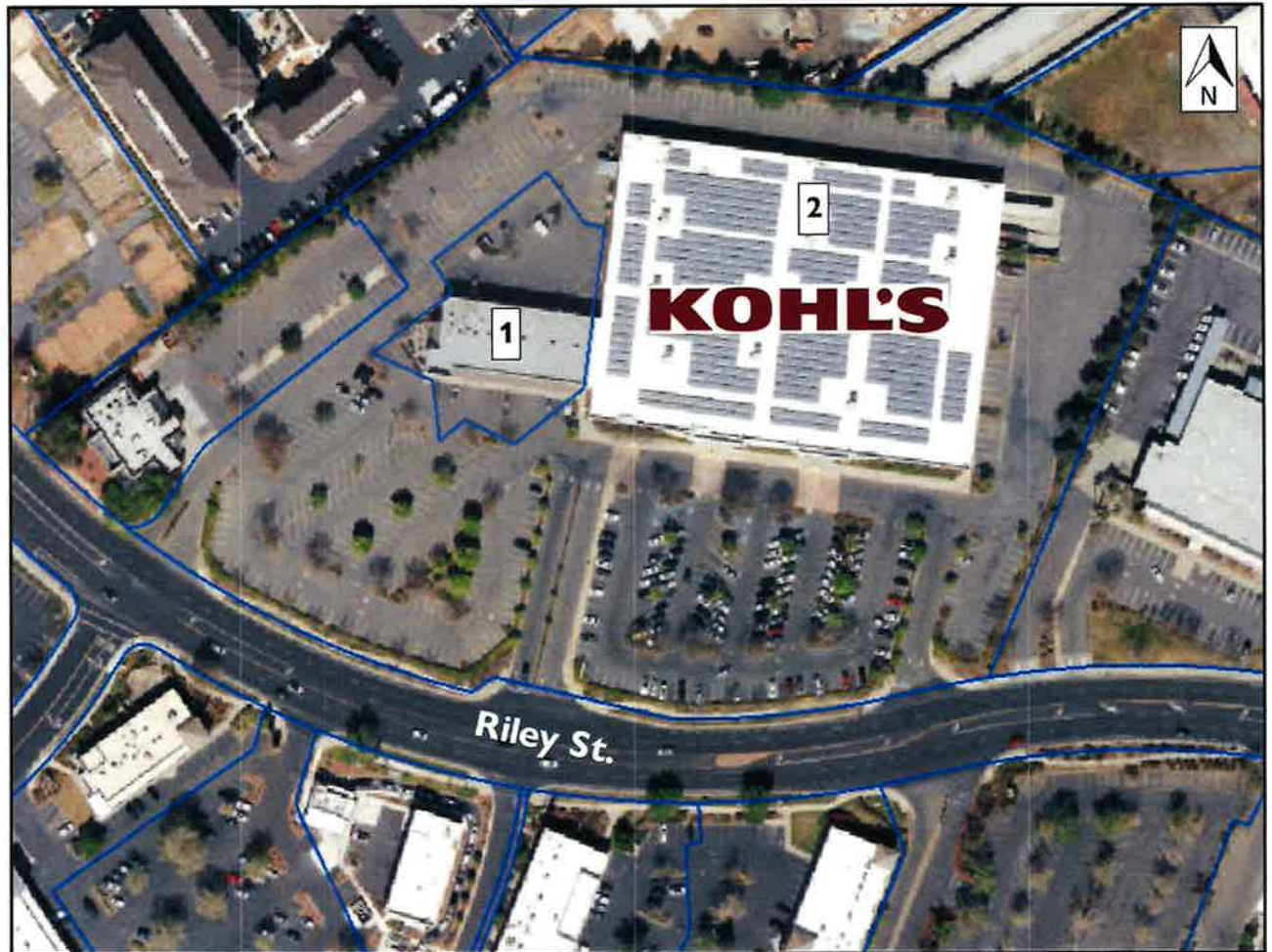
Source: ESRI Business Analyst Online; Sacramento County Office of the Assessor (Accessed April 2024)



## SITE #2: KOHL'S SHOPPING CENTER

### SITE PROFILE

- Address: 1013 Riley St.
- Total Lot Area: 11.01 acres
- Total Building Area: 114,047 SF GLA
- Owners: DMFA Folsom, LLC; Robert Nerli and Laradean Hayes-Nerli
- Assessed Value: \$18,5387,000
- Potential Opportunity: 100-200 unit multi-family development



Source: ESRI Business Analyst Online; Sacramento County Office of the Assessor (Accessed April 2024)

## SITE #3: FOLSOM PREMIUM OUTLETS

### SITE PROFILE

- Address: 170 and 400 Iron Point Rd.; 13000 Folsom Blvd.
- Total Lot Area: 34.60 acres
- Total Building Area (Retail GLA): 296,014 SF
- Owners: Golden Arch Ltd. Partnership, Iron Point Investments LLC, Chelsea Financing Partnership LP
- Assessed Value: \$75,576,000
- **Potential Opportunity: 200-400 unit multi-family TOD development near Iron Point Light Rail**



Source: ESRI Business Analyst Online; Sacramento County Office of the Assessor (Accessed April 2024)

KOSMONT COMPANIES

57

## OPPORTUNITY SITE #4: FOLSOM AUTO MALL

### SITE PROFILE

- Address: 069-0710-20, -21, -39;  
12565 Auto Mall Cir. [069-0710-031]
- Lot Area: 6.09 acres (265,280 SF)  
[Parcels 1-3]; 5.77 acres (251,341 SF)  
[Parcel 4]
- Building Area (Retail GLA): 29,786 SF and  
16,282 SF [Parcels 4]
- Owners: Abdi Mohanna Revocable Trust;  
Sauer Family Ltd. Partnership with Barbara  
McGowan
- Total Net Assessed Value: \$5,974,000
- Potential Opportunity sites: Vacant Parcels  
1-3; Former VW dealer [Parcel 4] used as  
car detailing



Source: ESRI Business Analyst Online; Sacramento County Office of the Assessor (Accessed April 2024)

## OPPORTUNITY SITE #5: NATOMA STATION CROSSING SITE PROFILE

- Address: 121-341 Iron Point Rd.
- Total Lot Area: 20.50 acres
- Total Building Area: 229,058 SF (105,258 SF of hospitality; 123,800 SF of retail space)
- Owners: 12 distinct owners
- Total Net Assessed Value: \$49,260,000
- Notable Tenants: Larkspur Landing Hotel; Chili's; Burger King [Parcel 4]; 76 Gasoline; Hilton Garden Inn Folsom; Cinemark Century Folsom 14; Reliance Supermart, Disciples Church
- Potential Opportunity: Cinemark ~6-acre site suited for 100-room hotel and restaurant or 150-200-unit residential



Source: ESRI Business Analyst Online; Sacramento County Office of the Assessor (Accessed April 2024)



## 6. ECONOMIC DEVELOPMENT TOOLS

CITY OF FOLSOM – EDAP



# ECONOMIC DEVELOPMENT TOOLS

Kosmont has prepared a high-level summary of various Economic Development tools that the City can consider for Value Capture and to facilitate future development:

## Capture Value from Tax Increment and Special Districts

- Enhanced Infrastructure Financing District (“EIFD”) use property tax increment and Community Facility Districts (“CFD”) are tools to fund important **local and regional infrastructure**.

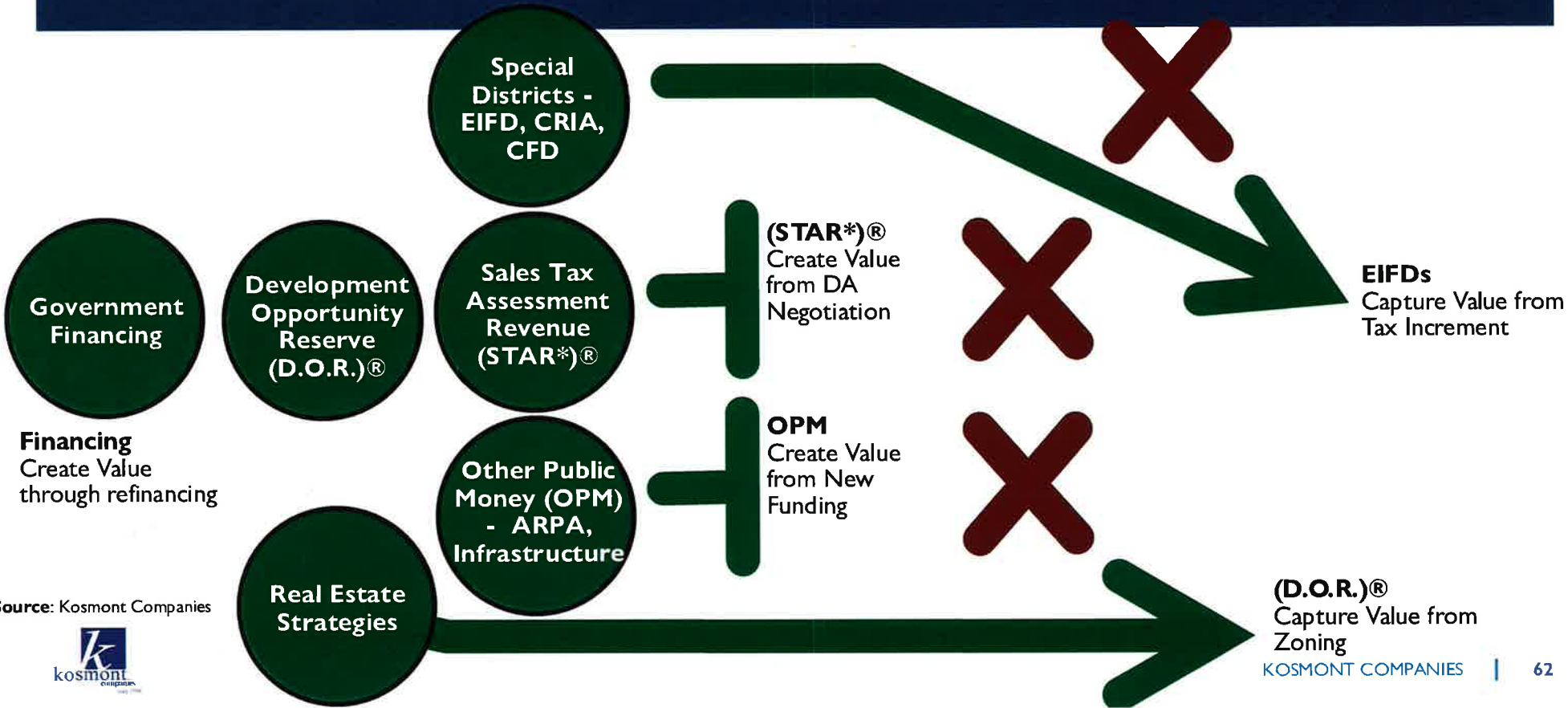
## Capture Value from Zoning (Value Capture Zoning™)

- Development Opportunity Reserve (D.O.R.)® allows cities to create a “bank” of new density in zoning / specific plans, allowing them to give the density to projects that deliver **community benefits & public amenities**.

## Capture Value from Real Estate

- Cities can use a variety of strategies to capture the value of their properties (sale or long-term lease).

# THE ECONOMIC DEVELOPMENT PLAYBOOK



Source: Kosmont Companies



# ZONING AND LAND USE STRATEGIES DEVELOPMENT OPPORTUNITY RESERVE D.O.R.®

Zoning and entitlements create value. Cities can avoid simply giving that value away, and instead capture that value as currency to support community benefits and public amenities.

## Old Playbook:

Rezone Areas for New Density and Expect New Development

Rezoning gives the value of the new density to current property owners: inflated land values, limited possibility of development.

## New Playbook:

Bank Density with Development Opportunity Reserve D.O.R.®

D.O.R.® allows cities to create a “bank” of new density in zoning / specific plans, allowing them to give the density to projects that deliver **community benefits & public amenities.**



# ZONING AND LAND USE STRATEGIES

## DEVELOPMENT OPPORTUNITY RESERVE D.O.R.<sup>®</sup> - PROCESS

### Create D.O.R.<sup>®</sup>

#### Step 1

Conduct market / economic density analysis to understand development potential. Identify sites and areas within community as areas targeted for new development.

#### Step 2

Use planning process to create a reserve bank of density to use in target areas and create an amenity list of desired community benefits and advance projects.

### Implement D.O.R.<sup>®</sup>

#### Step 3

Development Projects apply for density from the DOR in exchange for amenities and community benefits delivered.

#### Step 4

City & Developer sign a Development Agreement, assigning D.O.R.<sup>®</sup> density to project with contractual commitment to deliver amenities or infrastructure.

# D.O.R.® CASE STUDY ILLUSTRATIONS

## City of Buellton: Avenue of Flags

- **Goal:** Induce housing development in downtown area
- **Benefits & Amenities:** public restrooms, off-site improvements, public parking, parking district, public art, parks, green buildings, other
- **Incentives:** Increase density up to 40 units / acre, increase heights, reduce on-site parking, reduced setbacks, reduced traffic and application fees



Sources: Kosmont Companies, City of Buellton, City of El Monte

## City of El Monte: Downtown Main St

- **Goal:** Increase downtown density along with community benefits and public improvements
- **Benefits & Amenities:** streets, bicycle facilities, parking, open space, beautification, transit, arts / cultural spaces, lot consolidation; developer can either install improvements or make payment into public improvement fund; value based on a portion of residual land value (~75%)
- **Incentives:** Increase density, heights, FAR, dwelling units per acre



### Implementation Steps

1. Conduct market housing / economic study to match RHNA needs
2. Discuss new density and public amenities with community
3. Create DOR mechanism as new Zoning / Specific Plan provision

## SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING

- Public agencies can utilize a variety of tax increment financing (TIF) and special district tools to fund infrastructure projects that can help to motivate private investment. This includes Enhanced Infrastructure Financing Districts (EIFDs), community facilities districts (CFDs), and business improvement districts (BIDs). These special districts are not mutually exclusive, and can work well together to advance goals of motivating private investment.
- Enhanced Infrastructure Financing Districts (EIFDs) may be well suited for some of the Region's opportunity areas that have significant infrastructure needs (roads / connectivity, water / sewer, electricity, telecom / broadband, etc.).
- EIFDs utilize property tax revenues from new development to finance public infrastructure projects without introducing new or increased taxes.
- EIFD project areas do not have to be contiguous, allowing them to target specific areas of high development and high infrastructure need.
- The district commitment of revenues toward infrastructure can induce private sector investment, accelerate growth, create jobs, and capture / grow fiscal revenues.

# SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING

## FUNDAMENTALS OF EIFDS

|                                 |  |
|---------------------------------|--|
| <b>Tax Increment Financing</b>  | Tax increment from new development / assessed value increase used to <u>fund infrastructure projects in approved project areas</u>   |
| <b>Long-term Districts</b>      | Up to 45-year districts from first bond issuance; Districts provide <u>long-term, committed revenues</u> in targeted investment areas; Districts can be created in 12-18 months              |
| <b>Non-Contiguous Areas</b>     | EIFD project areas <u>do not have to be contiguous</u> , allowing them to target specific sites / areas and making them compatible with other zoning / entitlement strategies                |
| <b>Eligible Projects</b>        | Any property with useful life of 15+ years and of communitywide significance; purchase, construction, expansion, improvement, seismic retrofit, rehabilitation, and <u>maintenance</u>       |
| <b>Return on Investment</b>     | Private sector investment induced by District commitment accelerates growth of <u>net fiscal revenues, job creation, housing production, essential infrastructure improvements</u>           |
| <b>Attract Additional Funds</b> | Allows community to attract <u>tax increment from other entities</u> (cities, special districts), <u>federal / state grants &amp; loans</u> (TOD, water, housing, parks), brownfield funding |

# EIFD WITH A POTENTIAL CITY/COUNTY PARTNERSHIP

- Ideal strategy includes a County contribution
  - Folsom receives approximately **19.6%** of every \$1 collected in property taxes on average (varies by Tax Rate Area)
  - City additionally receives equivalent of approximately **5.0%** of property tax in lieu of MVLF, also available to EIFD
  - County receives approximately **16.1%** of every \$1 collected in property taxes on average
  - School-related entities cannot participate
- TIF Districts which involve a City / County joint effort are more likely to win state grant funding sources

## Federal & State Sources

- *Cap-and-Trade / HCD grant & loan programs (AHSC, IIG, TCC)*
- *Prop 1 bond funds / Prop 68*
- *SB 1 Road funds*
- *SB 2 Transfer Tax funds*
- *Federal DOT / EPA / EDA funding*



## Other Potential Funding Sources

- *Property tax revenue including RPTTF*
- *Vehicle license fee (VLF) prop. tax backfill increment*
- *Development Agreement / impact fees*
- *Benefit assessments (e.g. contribution from CFD)*
- *Local transportation funding (e.g. Measure M/R)*
- *Private investment*



**Sources:** Kosmont Companies **Notes:** Actual shares vary by tax rate area.

# TAX INCREMENT DISTRICT CASE STUDY

## PLACENTIA CASE STUDY – FORMED IN 2019

### Placentia / Orange County EIFD Partnership

- 300+ acres: Old Town Placentia Revitalization Plan, Metrolink Station, TOD Packing House Area
- Infrastructure Financing Plan (IFP) will fund \$13 million in public infrastructure improvements for those areas
- Water, sewer, streets, parking, transit connectivity
- \$460M+ expected in new AV from residential, retail, restaurant development
- Net Fiscal Benefit: \$22M to City, \$15M to County

### Implementation

- EIFD feasibility analysis & formation process
- Led education/outreach meetings with County BOS
- Developed County EIFD Policy for City/County EIFD
- Completed first EIFD TIF Court Validation in the state
- **Working on TIF Bond—expected by fall of 2022**



Sources: Kosmont Companies, City of Placentia



KOSMONT COMPANIES | 69

# SPECIAL DISTRICTS FOR INFRASTRUCTURE FINANCING

## OTHER DISTRICT TOOLS

|   |   |
|---|---|
| <b>Property Business Improvement Districts (PBID)</b> | <p>Property Business Improvement Districts are special assessments levied on real property to fund improvements and promote activities the benefit the properties located within the PBID area. This includes capital improvements, parking facilities, street / streetscape improvements, lighting and landscaping, marketing and promotion, and business attraction / retention. The special assessment amount that each property owner pays must be directly proportional to the benefit received.</p>   |
| <b>Community Facilities District (CFD)</b>            | <p>Community Facility Districts are a new property assessment or "special tax" that appears as a separate line item on a tax bill and can be used to fund infrastructure / services that benefit the property. This includes transportation, parking, street / utility improvements, hazardous waste remediation, street lighting / sidewalk, and public services. CFDs are useful because they provide early financing for a variety of critical services and infrastructure. CFDs also pair well with EIFDs as a value capture strategy – with CFDs providing early funding and EIFDs providing funds as projects are constructed, and tax increment grows.</p> |
| <b>Parking Authority District</b>                     | <p>Parking Authority Districts can utilize a variety of funding sources – including bonds, ad valorem taxes, user fees, parking meter charges, parking revenues, and City / County contributions – to fund improvements such as parking lots, structures, and alterations to circulatory infrastructure to facilitate ingress and egress.</p>   |
| <b>Climate Resilience District (CRD)</b>              | <p>Climate Resilience Districts are a new type of district can fund projects to mitigate climate change. These districts have broad financing powers, and can fund a wide range of eligible projects, including projects that address sea level rise / flooding, extreme weather, wildfire, and drought.</p>  |

# CAPTURE VALUE WITH CITY PROPERTY

## REAL ESTATE & LEASING STRATEGIES

Cities can use a variety of strategies to better utilize the value of their properties:

- Performance-based leases / ground leases
- Monetizing assets (such as parking garages)
- Selling property to private sector – includes lease-back strategies, continued operation of existing use, redevelopment into new uses



### **SELLER BEWARE –**

Cities must follow Surplus Land Act (SLA) requirements / procedures



Sources: Kosmont Companies, California Assembly Bill 1486 (2019)



# SURPLUS LAND ACT CONSIDERATIONS (FOR PUBLIC AGENCY OWNED PROPERTIES)

- The Surplus Land Act (SLA) was passed in response to the housing shortage in California. Public agency owned property cannot be sold or leased until it complies with the SLA, with certain exceptions.
- After navigating the SLA for a City-owned site, either an affordable housing project will be ready to come to the site, or the City will have the ability to market the land for a different use.
- SLA requires an up to 150-day (NOA for 60 days + good faith negotiations for 90 days) RFP process to either select or reject an affordable housing project/proposal. City does not have to sell the property for less than fair market value. If rejected, property can be sold to broader market.
- After completing the process, any development will be subject to a covenant requiring any residential development with 10 or more units to provide at least 15% of units available to low-income households.
- If local agency does not comply with SLA, HCD will impose fine of 30% of final sale price for first violation, 50% of final sale price for second violation.
- City should engage real estate and legal counsel to navigate SLA process and conduct appropriate property due diligence.
- Potential exemptions include leases existing prior to 1/1/2019, land dedicated for 75% or more affordable housing or public uses and land not suitable (too small).

## SLA Required Disposition Process

1. Declaration of the property as either “surplus” or “exempt surplus.”
2. If declared “surplus,” disseminate a Notice of Availability (NOA) offering the property to other government agencies and affordable housing developers for a period of 60 days.
3. If the City receives letters of interest from government agencies and/or affordable housing developers, then it must negotiate in good faith with those interested parties for a period of 90 days.
4. After the 90-day good faith negotiation period, the City must notify the State Department of Housing and Community Development (HCD) and provide information that documents compliance with the process and request a letter of compliance.
5. HCD has 30 days to respond to City with questions/request for more information and, at the conclusion of the 30-day period, must provide a letter stating that the City has complied with the process or not.

# CREATE CURRENCY WITH REVENUE REPLACEMENT REPLACING TAX REVENUES VIA DAS & P3S

## Replace Revenue with Sales Tax Assessment Revenue (STAR\*)®

Project would result in a **loss in retail sales tax revenues** resulting from non-sales tax generating uses  
(e.g. *industrial*)

**Analyze sales tax revenue loss** potential of opportunity sites & zoning designations to understand scale

**Create equivalent General Fund revenue** through entitlement document / development agreement  
(*Tax Equivalency as currency*)

### STAR\* Case Study: Jurupa Valley – Agua Mansa Commerce Park Site

- ~280-acre site (*originally planned for retail*)
- Proposed 3.6 million SF industrial development project
- **STAR analysis estimated annual sales tax in-lieu payment of ~\$362,500**



Sources: Kosmont Companies, City of Jurupa Valley

# GRANTS AND OTHER PUBLIC FUNDING

There is a wide variety of grant programs and funding sources available through the state and federal government. New grant programs are added every year, many with a focus on housing and climate resiliency. Cities should periodically review available grant sources and pursue grants that align with the city's economic development goals (a grant-writing firm can provide assistance if the City's internal resources are limited).

Three current programs that give some preference to EIFDs are:

## Infill Infrastructure Grants (IIG)

Grants for infill projects / areas, gap funding for infrastructure for residential / mixed-use with some affordability requirements; awards range between \$1 - \$7.5 million.

## Affordable Housing and Sustainable Communities Program (AHSC)

Grants for affordable housing, housing infrastructure, transportation, related amenities, and program costs; awards range between \$1 - \$30 million.

## Transformative Climate Communities (TCC)

Funds community-led development and infrastructure projects that achieve environmental / health / economic benefits in the state's most disadvantaged communities.



## Recent Economic Development & Climate Grant / Funding Programs

- Regional Early Action Planning (REAP)
- Local Early Action Planning (LEAP)
- Infill Infrastructure Grants (IIG)
- Affordable Housing and Sustainable Communities (AHSC)
- Community Economic Resilience Fund (CERF)
- Multifamily Housing Program (MHP)
- ICARP Regional Resilience Grant Program (RRGP)
- Infrastructure State Revolving Fund (ISRF)
- Homeless Housing, Assistance, and Prevention (HHAP)
- Infrastructure State Revolving Fund (ISRF)
- Coastal Conservancy Grants
- Adaptation Planning Grant Program (APGP)
- Strategic Growth Council grants
- Infrastructure Investment and Jobs Act (IIJA)

# GRANTS AND OTHER PUBLIC FUNDING MATRIX

| Funding Source / Grant   | Purpose  |
|--|--|
| <b>Infill Infrastructure Grant (IIG) Program (EIFD Preference)</b>                     | <ul style="list-style-type: none"> <li>- IIG provides grants for capital improvement projects for qualifying infill projects or qualifying infill areas</li> <li>- Used for gap funding to infrastructure improvements for residential or mixed-use developments</li> <li>- Eligible activities: construction, rehab, demolition, relocation, preservation, and acquisition of infrastructure</li> <li>- Affordability threshold: No less than 15% of units as “affordable” units</li> <li>- Assistance terms: Minimum award (\$1M), maximum award (\$7.5M)</li> </ul>   |
| <b>Affordable Housing and Sustainable Communities (AHSC) Program (EIFD Preference)</b> | <ul style="list-style-type: none"> <li>- The AHSC Program assists project areas by providing grants and/or loans to a locality, public housing authority, JPA, developer, or facilities districts, that will achieve greenhouse gas (GHG) emissions reduction and benefit Disadvantaged communities through increasing accessibility of affordable housing, employment centers, and key destinations via low-carbon transportation</li> <li>- Assistance terms: Minimum award (\$1M), maximum award (\$30M)</li> <li>- Eligible activities: new construction, acquisition, or rehab of affordable housing; housing infrastructure; sustainable transportation infrastructure and related amenities, program costs (active transportation)</li> <li>- Affordability threshold: 20% of homes at 80% median household income (MHI)</li> </ul> |
| <b>Multifamily Housing Program (MHP)</b>   | <ul style="list-style-type: none"> <li>- MHP assist the new construction, rehab, and preservation of permanent and transitional rental housing for lower income households, or the conversion of a non-residential structure to rental housing</li> <li>- Eligible activities: property acquisition, land lease payments, construction and rehabilitation work, offsite improvements (e.g. sewer, utilities, and streets directly related to housing development)</li> <li>- Assistance terms: Maximum award (\$20M), base loan various from \$150K and \$175K based on type of unit</li> </ul>  |
| <b>Transit-Oriented Development (TOD) Housing Program</b>                              | <ul style="list-style-type: none"> <li>- Program offers low-interest loans as gap financing for rental housing developments near transit that include affordable units. Grants are available to localities and transit agencies for infrastructure improvements necessary for the development of specified housing projects or to facilitate connections between the project and the transit station</li> <li>- Eligible applicants: developers for rental housing projects; municipalities/transit agencies for infrastructure projects</li> <li>- Assistance terms: Maximum award for a single project is \$15M</li> </ul>   |

---

# CITY OF FOLSOM ECONOMIC DEVELOPMENT ACTION PLAN

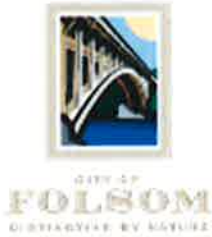


2301 Rosecrans Ave., Suite 4140  
El Segundo, CA 90245  
TEL: 424-297-1070 | URL: [www.kosmont.com](http://www.kosmont.com)

*This page is intentionally left blank  
to facilitate double-sided printing  
and minimize paper use.*



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE



# Folsom City Council Staff Report

|                        |   |
|------------------------|---|
| <b>MEETING DATE:</b>   | 9/10/2024   |
| <b>AGENDA SECTION:</b> | Scheduled Presentations                           |
| <b>SUBJECT:</b>        | Update to City Council on the City’s Water Vision |
| <b>FROM:</b>           | Environmental and Water Resources Department      |

## BACKGROUND / ISSUE

On August 22, 2023, City Council approved Resolution No. 11089 to begin the City of Folsom Water Vision process. The intent of the Water Vision is to initiate a City-wide discussion and an opportunity for public participation in the long-range (at least 50 years) planning of Folsom’s future water supply. The goal is to evaluate the adequacy and reliability of the City’s water supplies, develop a water supply portfolio that addresses water supply reliability, resiliency, and sustainability, and to develop policy recommendations to City Council that will provide long-term guidance for managing these supplies through a Stakeholder process. Environmental and Water Resources Director, Marcus Yasutake, will provide City Council with an update on the Water Vision. The presentation will include a discussion on the following:

- Purpose
- Stakeholder group
- Schedule
- Progress
- Next steps

Submitted,

---

Marcus Yasutake, Director  
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

*This page is intentionally left blank  
to facilitate double-sided printing  
and minimize paper use.*



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE



# City Council Special Meeting

## MINUTES

Thursday, August 20, 2024 8:00 AM

---

### CALL TO ORDER

The special City Council meeting was called to order at 8:00 am with Vice Mayor Aquino presiding. Mayor Mike Kozlowski participated via teleconference, as noticed on the agenda.

### ROLL CALL:

Councilmembers Present: Sarah Aquino, Vice Mayor  
Rosario Rodriguez, Councilmember  
Mike Kozlowski, Mayor

Councilmembers Absent: YK Chalamcherla, Councilmember (*arrived at 8:05 am*)  
Anna Rohrbough, Councilmember (*arrived at 8:07 am*)

### ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Conference with Labor Negotiator - Pursuant to Government Code Section 54957.6. Agency Negotiator: Human Resources Director Allison Garcia. Employee Organizations: All Bargaining Groups
2. Conference with Legal Counsel Anticipated Litigation, Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4): One Potential Case, City of Folsom v. Mary Anne Martin, Coalition to Fix Folsom, et al.
3. Public Employee Appointment – Recruitment to Fill the Position of City Manager Following Retirement Announcement of Current City Manager Pursuant to Government Code section 54957(b)(1)

**Motion by Vice Mayor Aquino, second by Councilmember Rodriguez to adjourn to closed session for the above referenced items. Motion passed by the following roll-call vote:**

**AYES:** Aquino, Rodriguez, Kozlowski  
**NOES:** None  
**ABSENT:** Chalamcherla, Rohrbough  
**ABSTAIN:** None

**RECONVENE**

City Attorney Steven Wang announced that no final action was taken in discussion of items 1 and 2.

Vice Mayor Aquino announced that the Council received seven proposals and selected three firms to interview. The Council will hold another closed session on August 28 at 3:00 pm to interview search firms.

**ADJOURNMENT**

There being no further business to come before the City Council, the meeting was adjourned at 9:03 a.m.

SUBMITTED BY:

\_\_\_\_\_  
Christa Freemantle, City Clerk

ATTEST:

\_\_\_\_\_  
Mike Kozlowski, Mayor

# City Council Special Meeting

## MINUTES

Tuesday, August 27, 2024 5:45 PM

---

### CALL TO ORDER

The special City Council meeting was called to order at 5:45 pm with Mayor Kozlowski presiding.

### ROLL CALL:

Councilmembers Present:      Rosario Rodriguez, Councilmember  
   Sarah Aquino, Vice Mayor  
   YK Chalamcherla, Councilmember  
   Michael Kozlowski, Mayor

Councilmembers Absent:      Anna Rohrbough, Councilmember (*arrived at 5:48 pm*)

### ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Conference with Real Property Negotiator-Pursuant to Government Code section 54956.8: Direction to staff regarding a possible lease of the Zittel Family Amphitheater located at 200 Wool Street, APN 070-0052-023-0000. Negotiating Parties: City Manager Elaine Andersen on behalf of the City of Folsom, and Judy Collinsworth, Executive Director, on behalf of the Folsom Historic District Association. Under Negotiation: Price and Terms of Lease

**Motion by Councilmember Rodriguez, second by Vice Mayor Aquino to adjourn to closed session. Motion passed by the following roll-call vote:**

**AYES:**      Rodriguez, Aquino, Chalamcherla, Kozlowski  
**NOES:**      None  
**ABSENT:**   Rohrbough  
**ABSTAIN:**   None

### RECONVENE

City Attorney Steven Wang announced that no final action was taken during closed session.

**ADJOURNMENT**

There being no further business to come before the City Council, the meeting was adjourned at 6:34 pm.

SUBMITTED BY:

\_\_\_\_\_  
Christa Freemantle, City Clerk

ATTEST:

\_\_\_\_\_  
Mike Kozlowski, Mayor

# City Council Regular Meeting

## MINUTES

Tuesday, August 27, 2024 6:30 PM

---

### **CALL TO ORDER**

The regular City Council meeting was called to order at 6:34 pm with Mayor Mike Kozlowski presiding.

### **ROLL CALL:**

Councilmembers Present:      Rosario Rodriguez, Councilmember  
   Anna Rohrbough, Councilmember  
   Sarah Aquino, Vice Mayor  
   YK Chalamcherla, Councilmember  
   Mike Kozlowski, Mayor

Councilmembers Absent:      None

### **PLEDGE OF ALLEGIANCE**

The pledge of allegiance was recited.

### **BUSINESS FROM THE FLOOR:**

The following speakers addressed the City Council:

1. David Reid
2. Gul Khan
3. Joanne Brausch

### **AGENDA UPDATE**

City Attorney Steven Wang advised that there was additional information for items 12 and 17.

### **CONSENT CALENDAR:**

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Councilmembers may pull an item for discussion.

1. Approval of July 23, 2024 Regular Meeting Minutes
2. Approval of August 8, 2024 Special Meeting Minutes

3. Ordinance No. 1347 – An Uncodified Ordinance of the City of Folsom Adopting Prima Facie Speed Limits on Folsom Lake Crossing, White Rock Road, and Savannah Parkway (Second Reading and Adoption)
4. Resolution No. 11238 – A Resolution Electing the Population and Inflation Factors and Establishing the Fiscal Year 2024-25 Appropriations Limit
5. Resolution No. 11239 – A Resolution Authorizing the City Manager to Execute a Purchase Agreement with Golden State Fire Apparatus Inc. for One Pierce Velocity PUC Type 1 Fire Engine
6. Resolution No. 11240 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Agreement (Contract No. 173-21 22-007) with PSOMAS for Additional Construction Management and Inspection Services for the Natoma Alley Rehabilitation and Replacement Project (Project WW1404) and Appropriation of Funds
7. Resolution No. 11241 - A Resolution Authorizing the Police Department to Accept a Cannabis Tax Grant in the Amount of \$83,029.81 from the California Highway Patrol and Appropriation of Funds
8. Resolution No. 11242 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Agreement (Contract No. 173-21 24-006) with HydroScience Engineers, Inc. for Additional Design and Engineering Services During Construction for the Tower Tank Rehabilitation Project (Project WA2402)
9. Resolution No. 11243 - A Resolution Authorizing the City Manager to Execute an Agreement with West Yost & Associates, Inc. for Construction Management and Inspection Services for the Tower Tank Rehabilitation Project (Project WA2402)
10. Resolution No. 11244 – A Resolution of the Folsom City Council Supporting California Proposition 36 "Increase Drug and Theft Penalties and Reduce Homelessness"
11. Resolution No. 11245 – A Resolution Authorizing the City Manager to Execute an Agreement with Pape Machinery, Inc. for the Purchase of a 12 Yard Vacuum/Sewer Cleaning Truck and Appropriation of Funds
12. Pulled for discussion
13. Resolution No. 11248 – A Resolution to Reject all Bids for the Pavement Repair and Resurfacing Project FY 24-25, Project No. 8017
14. Resolution No. 11249 – A Resolution of the City Council of the City of Folsom Authorizing the City Manager or City Manager's Designee to Execute Agreements with California Department of Transportation for the Sustainable Transportation Planning Grant Program for a Sustainable Transit Connections to Health Services Planning and Feasibility Study and Appropriation of Funds

- 15. Resolution No. 11254 - A Resolution Authorizing the City Manager to Execute a Subdivision Improvement Agreement with Habitat for Humanity of Greater Sacramento for the Project Located at the Address Formerly Listed as 300 Persifer for the Purpose of Developing Affordable Housing
- 16. Resolution No. 11255 - A Resolution Authorizing the City Manager to Execute a Subdivision Improvement Agreement and Accept Offers of Dedication for the Toll Brothers at Folsom Ranch Phase 2B Subdivision, and Approval of the Final Map for the Toll Brothers at Folsom Ranch Phase 2B Subdivision

**Motion by Councilmember Rodriguez, second by Vice Mayor Aquino, to approve Consent Calendar items 1-11 and items 13-16 Motion passed by the following roll-call vote:**

**AYES:** Rodriguez, Rohrbough, Aquino, Chalamcherla, Kozlowski  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None

**CONSENT CALENDAR ITEMS PULLED FOR DISCUSSION:**

- 12. Resolution No. 11246 - A Resolution Authorizing the City Manager to Execute an Agreement with Euro Style Management for the Construction of the Tower Tank Rehabilitation Project (Project PW2402) and Appropriation of Funds

Councilmember Chalamcherla pulled to this item to comment about outreach efforts. Environmental Water Resources Director Marcus Yasutake responded.

**Motion by Vice Mayor Aquino, second by Councilmember Rodriguez, to approve Resolution No. 11246. Motion passed by the following roll-call vote:**

**AYES:** Rodriguez, Rohrbough, Aquino, Chalamcherla, Kozlowski  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None

**PUBLIC HEARING:**

- 17. City of Folsom 2035 General Plan Amendments for Increased Residential Capacity Project and Related Actions
  - i. Resolution No. 11250- A Resolution of the City Council of the City of Folsom Certifying the Subsequent Environmental Impact Report for the 2035 City of Folsom General Plan Amendments Increased Residential Capacity Project and Related Actions
  - ii. Resolution No.11251- A Resolution of the City Council of the City of Folsom Amending the 2035 City of Folsom General Plan as it Relates to the Increased Residential Capacity Project and Related Actions

iii. Resolution No 11252- A Resolution of the City Council of the City of Folsom Amending the Folsom Plan Area Specific Plan as it Relates to the Increased Residential Capacity Project and Related Actions

Community Development Department Planning Manager Desmond Parrington made a presentation and responded to questions from the City Council. Community Development Department Director Pam Johns and Environmental Water Resources Director Marcus Yasutake responded to Council questions for further clarification.

The public hearing was opened at 7:45 pm. Receiving no requests to speak, the public hearing was closed.

**Motion by Councilmember Rodriguez, second by Vice Mayor Aquino to approve Resolution No. 11250. Motion passed by the following roll-call vote:**

**AYES:** Rodriguez, Rohrbough, Aquino, Chalamcherla Kozlowski  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None

**Motion by Councilmember Rodriguez, second by Vice Mayor Aquino to approve Resolution No. 11251. Motion passed by the following roll-call vote:**

**AYES:** Rodriguez, Rohrbough, Aquino, Chalamcherla Kozlowski  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None

**Motion by Councilmember Rodriguez, second by Vice Mayor Aquino to approve Resolution No. 11252. Motion passed by the following roll-call vote:**

**AYES:** Rodriguez, Rohrbough, Aquino, Chalamcherla Kozlowski  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None

City Attorney Steven Wang asked the City Council to confirm direction to staff. Council directed the Community Development Department to prepare objective design and development standards for target areas and zoning code amendments to implement the project.

**NEW BUSINESS:**

18. Resolution No. 11253 - A Resolution to Approve and Adopt a City-Wide Pay Schedule as Required by the California Public Employees' Retirement System (CalPERS)

Human Resources Director Allison Garcia made a presentation and responded to City Council questions.

**Motion by Councilmember Rodriguez, second by Vice Mayor Aquino to approve Resolution No. 11253. Motion passed by the following roll-call vote:**

*Draft- Not Official until Approved by the City Council*



**AYES:** Rodriguez, Rohrbough, Aquino, Chalamcherla, Kozlowski  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None

### **COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS**

Vice Mayor Aquino suggested consideration of a City Council travel policy.

### **CITY MANAGER REPORTS**

City Manager Elaine Andersen spoke about opening registration for Folsom Parks and Recreation's fall programs, Congressman Kevin Kiley presentation to Library Director Thom Gruneisen with a certificate for being voted the favorite library in California's third congressional district, and announced upcoming Town Hall meetings regarding the City's financial outlook and funding needs.

### **COUNCIL COMMENTS**

Councilmember Rodriguez noted the City Manager's retirement announcement and thanked her for her exceptional service.

Councilmember Chalamcherla spoke about Jake's Journey annual fundraising event and HART of Folsom's goal to build tiny homes at Oak Hills Church, and that he represented the Mayor at a recent SacRT meeting.

Vice Mayor Aquino spoke about Clean Air Day, thanked City staff for the last couple of weeks, especially City Manager Elaine Andersen, Public Works Director Mark Rackovan, Public Works Senior Civil Engineer Zach Bosch, Steve and Tim in the sign shop, Police Chief Hillman and Sergeant Galovich and the motor officers for ensuring parents are being safe while dropping off their kids at school, and Municipal Landscape Services Manager Jamison Larsen helping with landscaping in Russell Ranch. She attended the celebration of life of Terri Hemley along with current and prior city staff and reminded everyone the importance showing staff the respect that they deserve.

Mayor Kozlowski spoke about the Folsom History Museum and the upcoming Folsom Mayor's Cup golf tournament. Supervisor Frost will be holding a public meeting at the library. He also thanked his colleagues for agreeing to meet at 8:00 am for a special City Council meeting while he was in Korea and thanked Councilmember Chalamcherla for attending SacRT on his behalf. He also spoke about his trip to Korea with the Greater Sacramento Economic Council.

**ADJOURNMENT**

There being no further business to come before the City Council, the meeting was adjourned at 8:12 pm.

SUBMITTED BY:

\_\_\_\_\_  
Christa Freemantle, City Clerk

ATTEST:

\_\_\_\_\_  
Mike Kozlowski, Mayor

# City Council Special Meeting

## MINUTES

Thursday, August 28, 2024 3:00 PM

---

### CALL TO ORDER

The special City Council meeting was called to order at 3:00 p.m. with Mayor Kozlowski presiding.

### ROLL CALL:

Councilmembers Present: Sarah Aquino, Vice Mayor  
YK Chalamcherla, Councilmember  
Anna Rohrbough, Councilmember  
Rosario Rodriguez, Councilmember  
Mike Kozlowski, Mayor

Councilmembers Absent: None

### ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Public Employee Appointment – Recruitment to Fill the Position of City Manager Following Retirement Announcement of Current City Manager Pursuant to Government Code section 54957(b)(1)

**Motion by Vice Mayor Sarah Aquino, second by Councilmember Rodriguez to adjourn to closed session for the above referenced item. Motion passed by the following roll-call vote:**

**AYES: Aquino, Chalamcherla, Rohrbough, Rodriguez, Kozlowski**  
**NOES: None**  
**ABSENT: None**  
**ABSTAIN: None**

### RECONVENE

Mayor Kozlowski announced that the Council interviewed three firms and selected the firm Bob Murray & Associates for city manager recruitment services.

**ADJOURNMENT**

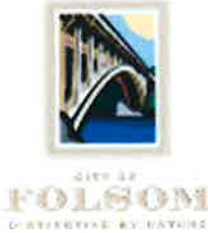
There being no further business to come before the City Council, the meeting was adjourned at 5:51 p.m.

SUBMITTED BY:

\_\_\_\_\_  
Christa Freemantle, City Clerk

ATTEST:

\_\_\_\_\_  
Mike Kozlowski, Mayor



# Folsom City Council Staff Report



|                        |  |
|------------------------|--|
| <b>MEETING DATE:</b>   | 9/10/2024  |
| <b>AGENDA SECTION:</b> | Consent Calendar   |
| <b>SUBJECT:</b>        | Appointment of At-Large Member to the Folsom Landscaping and Lighting District Advisory Committee to Represent the Cobble Ridge District |
| <b>FROM:</b>           | City Clerk's Department  |

### RECOMMENDATION / CITY COUNCIL ACTION

Staff requests that the Mayor appoint Joe Helo (with approval from the City Council) to the Folsom Landscaping and Lighting District Advisory Committee to represent the Cobble Ridge District for the term ending in December 2026.

### BACKGROUND / ISSUE

Folsom Municipal Code Chapter 16.56 establishes the Landscaping and Lighting District Advisory Committee (L&L Committee) and defines the Committee’s purpose as helping to enhance the line of communication between city staff and elected/appointed city bodies. The citizens’ committee may also make recommendations to the Landscaping and Lighting District Manager, the Community Development Director and the Public Works Director concerning the maintenance and associated costs to maintain and improve landscaping and lighting districts. The Committee is comprised of one person from each landscaping and lighting district. The members shall be registered voters and residents or owners within their respective landscaping and lighting district and serve for a period of four years (unless they are appointed to serve the remainder of an unfilled term).

### POLICY/ RULE

Folsom Municipal Code Section 16.56.030(B) states that the mayor shall appoint each of the members, subject to the approval of the City Council.

**ANALYSIS**

The L&L Committee continues to have vacancies for certain districts, and staff maintains an open recruitment for these vacancies. One application has recently been received for the Cobble Ridge District vacant seat from Joe Helo.

Staff has confirmed that the applicant's address is within the Cobble Ridge District and that the applicant is a registered voter and they are therefore eligible to be appointed.

**ATTACHMENT**

Application from Joe Helo

Respectfully submitted,

Christa Freemantle, CMC  
City Clerk



# Folsom Commission and Committee APPLICATION

CITY OF  
**FOLSOM**  
CREATING THE ART OF LIVING

Thank you for your interest in serving on a Folsom commission or committee.

**Before You Begin:**

- Please read this form and instructions carefully.
- Complete all pages and sign the application.
- Applications remain active for six months after submittal.

**Return completed applications to:**

City Clerk's Department, Folsom City Hall, 50 Natoma Street, Folsom, CA 95630

**Applicant Information:** (All information is required)

Name: Joseph Monther Helo

Residence Address: [REDACTED] Folsom, Ca 95630

Email: kharooof@hotmail.com

Phone: 916-873-2200

Employer and Occupation: State of California - Senior Financial Institutions Examiner

Currently Serving on a Commission/Committee? If yes, please specify:

No

**Folsom Residency / Registered Voter Verification:** Commission and Committee members must be residents and registered voters of Folsom.

Registered to vote? Indicate Yes / No Yes

**Financial Disclosure / Ethics Training:**

I understand that commission and committee members must file statements disclosing financial information.

Indicate Yes / No:

Yes

I understand that commission and committee members must complete ethics and harassment training.

Indicate Yes / No:

Yes

**Truth and Accuracy:** I certify that the information contained on this form is true and accurate:

Signature: Joe Helo

Digitally signed by Joe Helo  
Date: 2024.08.05 07:10:42 -0700'

Date: 08/05/2024

**Important Public Records Information:** The city may receive requests from the public to review documents such as this form and the city is obligated to release these public records, including all information contained on the form.

FOLSOM COMMISSION AND COMMITTEE APPLICATION

Applicant Name: Joseph Monther Helo

**Choice of Commission or Committee:**

(If you are interested in multiple commissions, please rank them numerically according to your preference)

Arts and Culture Commission

Historic District Commission\*

Please identify which seat you qualify for:

representative who is actively involved with historic preservation

representative who is a resident of the Historic District

representative who owns a business within the Sutter Street Subarea

Planning Commissioners

representative from a Historic District business outside the Sutter Street Subarea

architect, landscape architect, or other design professional with expertise in historic preservation

Landscaping and Lighting District Advisory Committee\*

Please advise which L&L District you live in:

District of Residence: Cobble Ridge

Library Commission

Parks and Recreation Commission

Planning Commission

Traffic Safety Committee\*

Please identify which seat you qualify for:

representative representing a wide cross section of interests

representative who has demonstrated an interest in or a concern for pedestrian and bicycle safety

Utility Commission

Other: \_\_\_\_\_

**\*Application Supplement Required:**

Supplemental information is required for the Historic District Commission, Landscape and Lighting District Advisory Committee, and the Traffic Safety Committee. These boards have special qualification requirements for certain seats.

**Continue to next page**



## FOLSOM COMMISSION AND COMMITTEE APPLICATION

Applicant Name: Joseph Monther Helo

**Informational Questions:** (you must answer all four questions, for all commissions or committees you are applying for):

1. Why do you want to serve on this commission or committee:

I am writing to express my interest in volunteering for one of Folsom's community service committees. As a dedicated resident of Folsom, I am eager to contribute my time and skills to support and enhance our vibrant community.

Having lived in Folsom for 10+ years, I have witnessed firsthand the positive impact that community service initiatives have on our city. The sense of unity and the spirit of volunteerism that permeate our community are truly inspiring. I am particularly drawn to the opportunity to serve on a committee because I believe it is a meaningful way to give back and help address the needs of our residents.

I am particularly interested in filling the Cobble Ridge seat for the Advisor Committee for the Landscaping and Lighting District, as I believe my residency, experience and interests align well with the goals of this committee. I am eager to collaborate with other dedicated resident-volunteers and city officials to develop and implement programs that will benefit our community.

Thank you for considering my application. I am excited about the possibility of contributing to the continued growth and success of Folsom through volunteer service. I look forward to the opportunity to discuss how I can be of service to our community.

2. What do you think is(are) the top issue(s) facing this commission or committee:

Lack of interest, too many vacant seats.

Continue to next page

**FOLSOM COMMISSION AND COMMITTEE APPLICATION**

Applicant Name: Joseph Monther Helo

3. Briefly describe how your experiences qualify you to serve on the commission or committee:

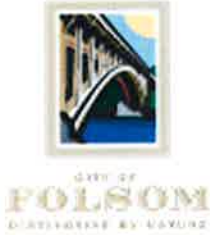
A Folsom resident  
Real Estate broker since 2005  
BA Public Administration and MBA Finance  
Folsom small business owner  
Public sector employee since 2017 (Federal and State government)  
Interested in serving my local community

4. Which commission or committee meetings have you attended?

None so far, I attended City Council meetings but not committee meetings.

**END OF APPLICATION FORM**

**Return completed applications to:**  
City Clerk's Department, Folsom City Hall, 50 Natoma Street, Folsom, CA 95630



# Folsom City Council Staff Report

|                        |   |
|------------------------|---|
| <b>MEETING DATE:</b>   | 9/10/2024   |
| <b>AGENDA SECTION:</b> | Consent Calendar  |
| <b>SUBJECT:</b>        | Resolution No. 11247 – A Resolution of the City Council of the City of Folsom Approving the Amended Budgets for Landscaping and Lighting Districts, and Community Facilities Districts for Fiscal Year 2024-25 and Appropriation of Funds |
| <b>FROM:</b>           | Parks and Recreation Department   |

### RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council adopt Resolution No. 11247 - A Resolution of the City Council of the City of Folsom Approving the Amended Budgets for Landscaping and Lighting Districts, and Community Facilities Districts for Fiscal Year 2024-25 and Appropriation of Funds.

### BACKGROUND / ISSUE

On June 25, 2024, the City Council Approved Resolution No. 11210 – A Resolution Adopting the Fiscal Year 2024-25 Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority. Then on July 23, 2024, the council approved Resolution No. 11236 - A Resolution Approving the Final Engineer's Report for the following Landscaping and Lighting Districts for Fiscal Year 2024-2025 American River Canyon North, American River Canyon North No. 2, American River Canyon North No. 3, Blue Ravine Oaks, Blue Ravine Oaks No. 2, Briggs Ranch, Broadstone, Broadstone No. 4, Broadstone Unit No. 3, Cobble Ridge, Cobble Hills Ridge II/Reflections II, Folsom Heights, Folsom Heights No. 2, Hannaford Cross, Lake Natoma Shores, Los Cerros, Natoma Station, Natoma Valley, Prairie Oaks Ranch, Prairie Oaks Ranch No. 2, Prospect Ridge, Sierra Estates, Silverbrook, Steeplechase, The Residences at American River Canyon, The Residences at American River Canyon II, Willow Creek Estates East, Willow Creek Estates East No. 2, Willow Creek Estates South, and Willow Springs.

The figures presented for the Landscaping and Lighting Districts, and Community Facilities Districts in the Operating and Capital Budget document were preliminary and accounted for the fixed costs of scheduled maintenance, power, and water. These initial figures however did not include the major projects, unscheduled costs, and other costs that fluctuate from year to year. After the initial figures were provided for the Operating and Capital Budget, the Municipal Landscape Manager worked with the consultant who handles the Landscaping and Lighting District, and Community Facilities District engineering services and created the detailed budgets that are included in the Engineer's Reports. Due to the timing of the Operating and Capital Budget document and the Engineers Reports, there is a difference in revenue and expenditure projections.

The individual budgets including revenue and expenses as presented in the Final Engineers Report are accurate and account for all expenses for fiscal year 2024-25. The assessments found in the Final Engineers Report are built upon the budgets contained within that document and provide for the necessary services including irrigation water, power, streetlight repairs, landscape maintenance, ladder fuel removal, weed abatement and other planned expenses. The attached revenue and expense table illustrates the adopted budget, the proposed budget amendment, and the fiscal year 2024-25 amended budget. The proposed budget amendment will increase budgeted revenues and expenditures from \$4.41 million to \$6.6 million.

The major areas that make up the difference from the adopted expenses and the amended expenses are the inclusion of costs for weed abatement \$202,000, ladder fuel removal \$202,000, tree work \$242,000, irrigation parts \$155,000 and planned landscape projects in various districts \$1.22 million. The above-mentioned costs in addition to line-item true ups in utilities and regular maintenance costs account for the \$2.2 million increase in expenses.

### **POLICY / RULE**

Pursuant to FMC 3.02.030 section H. "The city council may make supplemental appropriations during the course of the fiscal year provided that the city manager certifies that moneys are available. All such supplemental appropriations shall be made for the fiscal year by resolution, up to the amount of any excess moneys certified by the city manager as being available."

### **ANALYSIS**

The Operating and Capital Budgets for the City of Folsom were adopted as Resolution No. 11210 on June 25, 2024. The Final Engineers Reports were approved as Resolution No. 11236 on July 23, 2024. The preliminary figures found in the Operating and Capital Budget document vary from those found in the detailed Engineer's Report and an amended budget is being requested. FMC 3.02.030 section H. states "The city council may make supplemental appropriations during the course of the fiscal year provided that the city manager certifies that moneys are available. All such supplemental appropriations shall be made for the fiscal year by resolution, up to the amount of any excess moneys certified by the city manager as being available."

Revenues and expenditures in the proposed amended budget total \$6.6 million.

## **FINANCIAL IMPACT**

The City Council approved Resolution No. 11210 on June 25, 2024 adopting the Fiscal Year 2024-25 Operating and Capital budgets. Subsequently the City Council approved Resolution No. 11236 on July 23, 2024 approving the Final Engineer's Report for the City of Folsom Landscaping and Lighting Districts for Fiscal Year 2024-25 and ordered the levy of assessments as set forth in the report. Due to the difference in timing between the adoption of the budget and the calculation of the Final Engineer's Report additional expenditures for major projects and unscheduled maintenance were included in the Final Engineer's Report that were not included in the adopted budget. Staff is requesting the City Council authorize an appropriation and increase to the revenue budgets for the Landscaping and Lighting Districts and Community Facilities Districts as shown in the attached tables "Proposed Budget Amendment" column totaling \$2,190,826. Each Landscaping and Lighting District and Community Facilities District levies and collects funds to cover operating and maintenance costs attributed to district assets. There is no fiscal impact to the City of Folsom General Fund.

## **ENVIRONMENTAL REVIEW**

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

## **ATTACHMENTS**

1. Resolution No. 11247 – A Resolution of the City Council of the City of Folsom Approving the Amended Budgets for Landscaping and Lighting Districts, and Community Facilities Districts for Fiscal Year 2024-25 and Appropriation of Funds.
2. Landscaping and Lighting District, and Community Facilities District revenue and expense table.

Submitted,

Kelly Gonzalez, Parks & Recreation Director

# ATTACHMENT 1

**RESOLUTION NO. 11247**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM APPROVING THE AMENDED BUDGETS FOR LANDSCAPING AND LIGHTING DISTRICTS, AND COMMUNITY FACILITIES DISTRICTS FOR FISCAL YEAR 2024-25, AND APPROPRIATION OF FUNDS**

**WHEREAS**, section 3.02.030 for the Folsom Municipal Code state “An Annual Budget shall be prepared by the City Manager, with assistance of the Finance Director ...”; and

**WHEREAS**, “The city council may make supplemental appropriations during the course of the fiscal year provided that the city manager certifies that moneys are available . . .”; and

**WHEREAS**, the Fiscal Year 2024-25 Operating and Capital Budget for the City of Folsom was adopted as Resolution No. 11210 on June 25 2024; and

**WHEREAS**, the City of Folsom Landscaping and Lighting Districts Final Engineer’s Report was approved as Resolution No. 11236 on July 23, 2024; and

**WHEREAS**, the preliminary figures provided in the Operating and Capital Budget document vary from the detailed figures in Final Engineers Report as prepared by the engineering consultant; and

**WHEREAS**, the amended budget reflects the revenues and expenses as outlined in the City of Folsom Landscaping and Lighting Districts Final Engineer’s Report:

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Folsom that the Landscaping and Lighting and Community Facilities District Fiscal Year 2024-25 Revenue and Expenditure Budget tables attached to this resolution are hereby appropriated to the Landscaping and Lighting Districts, and Community Facilities Districts in the amounts therein stated.

**PASSED AND ADOPTED** this 10<sup>th</sup> day of September 2024, by the following roll-call vote:

- AYES:** Councilmember(s):
- NOES:** Councilmember(s):
- ABSENT:** Councilmember(s):
- ABSTAIN:** Councilmember(s):

\_\_\_\_\_  
Michael D. Kozlowski, MAYOR

ATTEST:

\_\_\_\_\_  
Christa Freemantle, CITY CLERK

## ATTACHMENT 2

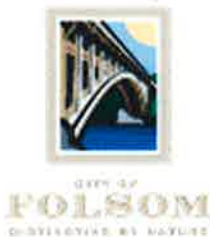


**Landscaping and Lighting / Community Facilities District FY 2024-25 Revenue Budget**

| District                         | Fund # | FY 2024-25 Adopted Budget | Proposed Budget Amendment | FY 2024-25 Amended Budget |
|----------------------------------|--------|---------------------------|---------------------------|---------------------------|
| Los Cerros L&L                   | 204    | \$ 55,196                 | \$ 27,237                 | \$ 82,433                 |
| Briggs Ranch L&L                 | 205    | \$ 107,733                | \$ 17,470                 | \$ 125,203                |
| Natoma Station L&L               | 207    | \$ 248,032                | \$ 64,411                 | \$ 312,443                |
| Folsom Heights L&L               | 208    | \$ 16,331                 | \$ 28,353                 | \$ 44,684                 |
| Broadstone Unit 3 L&L            | 209    | \$ 28,835                 | \$ 9,876                  | \$ 38,711                 |
| Broadstone L&L                   | 210    | \$ 223,366                | \$ 179,842                | \$ 403,208                |
| Hannaford Cross L&L              | 212    | \$ 29,406                 | \$ 10,487                 | \$ 39,893                 |
| Lake Natoma Shores L&L           | 213    | \$ 27,833                 | \$ 3,305                  | \$ 31,138                 |
| Cobble Hills/Reflections L&L     | 214    | \$ 55,487                 | \$ 7,224                  | \$ 62,711                 |
| Prairie Oaks Ranch #2 L&L        | 215    | \$ 113,303                | \$ 224,551                | \$ 337,854                |
| Sierra Estates L&L               | 231    | \$ 13,273                 | \$ 771                    | \$ 14,044                 |
| Natoma Valley L&L                | 232    | \$ 53,689                 | \$ 9,037                  | \$ 62,726                 |
| Cobble Ridge L&L                 | 234    | \$ 13,006                 | \$ 24,537                 | \$ 37,543                 |
| Prairie Oaks Ranch L&L           | 236    | \$ 134,664                | \$ (57,643)               | \$ 77,021                 |
| Silverbrook L&L                  | 237    | \$ 10,542                 | \$ 934                    | \$ 11,476                 |
| Willow Creek East L&L            | 249    | \$ 24,088                 | \$ 6,894                  | \$ 30,982                 |
| Blue Ravine Oaks L&L             | 250    | \$ 14,442                 | \$ 27,123                 | \$ 41,565                 |
| Steeplechase L&L                 | 251    | \$ 27,477                 | \$ 20,440                 | \$ 47,917                 |
| Willow Creek South L&L           | 252    | \$ 177,095                | \$ 187,329                | \$ 364,424                |
| American River Canyon North L&L  | 253    | \$ 77,314                 | \$ 31,417                 | \$ 108,731                |
| Willow Springs L&L               | 260    | \$ 10,559                 | \$ 5,239                  | \$ 15,798                 |
| Willow Springs CFD 11 Mtn. Dist. | 262    | \$ 134,385                | \$ 64,730                 | \$ 199,115                |
| CFD 12 Mnt. Dist.                | 266    | \$ 581,886                | \$ 546,587                | \$ 1,128,473              |
| CFD #13 ARC Mnt. Dist.           | 267    | \$ 165,813                | \$ (48,717)               | \$ 117,096                |
| ARC North #2 L&L                 | 270    | \$ 5,714                  | \$ 50                     | \$ 5,764                  |
| The Residences at ARC North L&L  | 271    | \$ 27,122                 | \$ (175)                  | \$ 26,947                 |
| ARC North #3 L&L                 | 275    | \$ 87,726                 | \$ 489,572                | \$ 577,298                |
| Blue Ravine Oaks #2 L&L          | 278    | \$ 29,754                 | \$ 44,531                 | \$ 74,285                 |
| Folsom Heights #2 L&L            | 281    | \$ 48,671                 | \$ 24,610                 | \$ 73,281                 |
| Broadstone #4                    | 282    | \$ 368,432                | \$ (112,283)              | \$ 256,149                |
| CFD #16 The Islands              | 283    | \$ 88,591                 | \$ 66,626                 | \$ 155,217                |
| Willow Creek Estates East L&L    | 284    | \$ 76,244                 | \$ 15,427                 | \$ 91,671                 |
| Prospect Ridge L&L               | 285    | \$ 24,850                 | \$ 6,202                  | \$ 31,052                 |
| CFD #18 Maint. Dist.             | 288    | \$ 1,093,378              | \$ 221,095                | \$ 1,314,473              |
| CFD #19 Maint. Dist.             | 289    | \$ 58,365                 | \$ 35,586                 | \$ 93,951                 |
| CFD #23 A1 Maint. Dist.          | 291    | \$ 63,862                 | \$ (876)                  | \$ 62,986                 |
| CFD #23 A2 Maint. Dist.          | 292    | \$ 12,250                 | \$ 3,296                  | \$ 15,546                 |
| CFD #23 A3 Maint. Dist.          | 293    | \$ 20,153                 | \$ 356                    | \$ 20,509                 |
| CFD #23 A4                       | 294    | \$ 61,375                 | \$ (625)                  | \$ 60,750                 |
| CFD #23 A6                       | 296    | \$ -                      | \$ 4,000                  | \$ 4,000                  |
| CFD #23 A7                       | 297    | \$ -                      | \$ 2,000                  | \$ 2,000                  |
| <b>Total Budgeted Revenues</b>   |        | <b>\$ 4,410,242</b>       | <b>\$ 2,190,826</b>       | <b>\$ 6,601,068</b>       |

## Landscaping and Lighting / Community Facilities District FY 2024-25 Expenditure Budget

| District                            | Fund # | FY 2024-25 Adopted Budget | Proposed Budget Amendment | FY 2024-25 Amended Budget |
|-------------------------------------|--------|---------------------------|---------------------------|---------------------------|
| Los Cerros L&L                      | 204    | \$ 55,196                 | \$ 27,237                 | \$ 82,433                 |
| Briggs Ranch L&L                    | 205    | \$ 107,733                | \$ 17,470                 | \$ 125,203                |
| Natoma Station L&L                  | 207    | \$ 248,032                | \$ 64,411                 | \$ 312,443                |
| Folsom Heights L&L                  | 208    | \$ 16,331                 | \$ 28,353                 | \$ 44,684                 |
| Broadstone Unit 3 L&L               | 209    | \$ 28,835                 | \$ 9,876                  | \$ 38,711                 |
| Broadstone L&L                      | 210    | \$ 223,366                | \$ 179,842                | \$ 403,208                |
| Hannaford Cross L&L                 | 212    | \$ 29,406                 | \$ 10,487                 | \$ 39,893                 |
| Lake Natoma Shores L&L              | 213    | \$ 27,833                 | \$ 3,305                  | \$ 31,138                 |
| Cobble Hills/Reflections L&L        | 214    | \$ 55,487                 | \$ 7,224                  | \$ 62,711                 |
| Prairie Oaks Ranch #2 L&L           | 215    | \$ 113,303                | \$ 224,551                | \$ 337,854                |
| Sierra Estates L&L                  | 231    | \$ 13,273                 | \$ 771                    | \$ 14,044                 |
| Natoma Valley L&L                   | 232    | \$ 53,689                 | \$ 9,037                  | \$ 62,726                 |
| Cobble Ridge L&L                    | 234    | \$ 13,006                 | \$ 24,537                 | \$ 37,543                 |
| Prairie Oaks Ranch L&L              | 236    | \$ 134,664                | \$ (57,643)               | \$ 77,021                 |
| Silverbrook L&L                     | 237    | \$ 10,542                 | \$ 934                    | \$ 11,476                 |
| Willow Creek East L&L               | 249    | \$ 24,088                 | \$ 6,894                  | \$ 30,982                 |
| Blue Ravine Oaks L&L                | 250    | \$ 14,442                 | \$ 27,123                 | \$ 41,565                 |
| Steeplechase L&L                    | 251    | \$ 27,477                 | \$ 20,440                 | \$ 47,917                 |
| Willow Creek South L&L              | 252    | \$ 177,095                | \$ 187,329                | \$ 364,424                |
| American River Canyon North L&L     | 253    | \$ 77,314                 | \$ 31,417                 | \$ 108,731                |
| Willow Springs L&L                  | 260    | \$ 10,559                 | \$ 5,239                  | \$ 15,798                 |
| Willow Springs CFD 11 Mtn. Dist.    | 262    | \$ 134,385                | \$ 64,730                 | \$ 199,115                |
| CFD 12 Mnt. Dist.                   | 266    | \$ 581,886                | \$ 546,587                | \$ 1,128,473              |
| CFD #13 ARC Mnt. Dist.              | 267    | \$ 165,813                | \$ (48,717)               | \$ 117,096                |
| ARC North #2 L&L                    | 270    | \$ 5,714                  | \$ 50                     | \$ 5,764                  |
| The Residences at ARC North L&L     | 271    | \$ 27,122                 | \$ (175)                  | \$ 26,947                 |
| ARC North #3 L&L                    | 275    | \$ 87,726                 | \$ 489,572                | \$ 577,298                |
| Blue Ravine Oaks #2 L&L             | 278    | \$ 29,754                 | \$ 44,531                 | \$ 74,285                 |
| Folsom Heights #2 L&L               | 281    | \$ 48,671                 | \$ 24,610                 | \$ 73,281                 |
| Broadstone #4                       | 282    | \$ 368,432                | \$ (112,283)              | \$ 256,149                |
| CFD #16 The Islands                 | 283    | \$ 88,591                 | \$ 66,626                 | \$ 155,217                |
| Willow Creek Estates East L&L       | 284    | \$ 76,244                 | \$ 15,427                 | \$ 91,671                 |
| Prospect Ridge L&L                  | 285    | \$ 24,850                 | \$ 6,202                  | \$ 31,052                 |
| CFD #18 Maint. Dist.                | 288    | \$ 1,093,378              | \$ 221,095                | \$ 1,314,473              |
| CFD #19 Maint. Dist.                | 289    | \$ 58,365                 | \$ 35,586                 | \$ 93,951                 |
| CFD #23 A1 Maint. Dist.             | 291    | \$ 63,862                 | \$ (876)                  | \$ 62,986                 |
| CFD #23 A2 Maint. Dist.             | 292    | \$ 12,250                 | \$ 3,296                  | \$ 15,546                 |
| CFD #23 A3 Maint. Dist.             | 293    | \$ 20,153                 | \$ 356                    | \$ 20,509                 |
| CFD #23 A4                          | 294    | \$ 61,375                 | \$ (625)                  | \$ 60,750                 |
| CFD #23 A6                          | 296    | \$ -                      | \$ 4,000                  | \$ 4,000                  |
| CFD #23 A7                          | 297    | \$ -                      | \$ 2,000                  | \$ 2,000                  |
| <b>Totals Budgeted Expenditures</b> |        | <b>\$ 4,410,242</b>       | <b>\$ 2,190,826</b>       | <b>\$ 6,601,068</b>       |



## Folsom City Council Staff Report

|                        |   |
|------------------------|---|
| <b>MEETING DATE:</b>   | 9/10/2024   |
| <b>AGENDA SECTION:</b> | Consent Calendar  |
| <b>SUBJECT:</b>        | Resolution No. 11256 – A Resolution Accepting Fiscal Year 2023-24 Department of Homeland Security Grant Funds Awarded Through the California Office of Emergency Services Grant Fund and Appropriation of Funds |
| <b>FROM:</b>           | Police Department   |

### **RECOMMENDATION / CITY COUNCIL ACTION**

Staff recommends that the City Council pass and adopt Resolution No.11256 – A Resolution Accepting Fiscal Year 2023-24 Department of Homeland Security Grant Funds Awarded Through the California Office of Emergency Services Grant Fund and Appropriation of Funds

### **BACKGROUND / ISSUE**

In December 2023, the Police Department applied for a grant issued by the State Homeland Security Grant Program. The application was specifically tailored to provide funds to replace an existing tactical robot primarily utilized by the Department’s SWAT Team. In August 2024, the Department received the grant award letter designating \$74,726 to be used for the purchase of the ICOR Mini Caliber Robot.

This equipment will be primarily used by the department’s SWAT team but has several explosive ordinance disposal (EOD) applications as well. This robot is designed for rapid tactical missions and is easily operated from a handheld controller. Its capabilities include the ability to remotely search rooms, undercarriage of vehicles, hallways, stairwells, and confined spaces. It also gives the operator the ability to communicate with suspects/victims through a two-way omnidirectional microphone and see the inside of structures or vehicles with video capability. The robot also includes an extendable, rotating claw that simplifies opening door handles. As part of a de-escalation package, the robot can also be used to deliver equipment, such as a phone or medical supplies, establish communication with suspects/victims during an extended incident without exposing personnel.

The department is currently utilizing an older robot that can accomplish some of the above tasks; however, the apparatus is approximately 10 years old, does not have the ability to manipulate doors, and the company is no longer in business. As such, they are no longer offering any forms of technical or repair support services. This fact has resulted in the Folsom Police Department's SWAT team having to borrow similar equipment from other tactical teams to safely resolve an incident.

### **POLICY / RULE**

City Council Resolution 8367 states that grant applications, including any requiring an ongoing commitment of resources or staff, shall be reviewed and approved by the City Council prior to submittal. Assembly Bill 481 (Government Code 7071(a)(1)(B)) requires law enforcement agencies to seek approval from their local governing body prior to accepting funds for the purchase of military equipment.

### **ANALYSIS**

On July 9, 2024, the Police Department submitted the annual report to the City Council regarding the use of military equipment and renewal of Ordinance No. 1326 in compliance with Assembly Bill 481. The City Council renewed the ordinance and passed a resolution approving the report. The report included the use and possession of one tactical robot (Robotex Avatar) and the intention to purchase a new tactical robot if grant funds were awarded to the Police Department.

Implementation within the department is expected to be seamless, as the SWAT team is already familiar with operating such equipment. Training can be seamlessly incorporated into the team's regular monthly schedule, eliminating the need for additional training costs. The project addresses the evolving landscape of tactics and incidents requiring law enforcement intervention, aligning with California's mandated policies on de-escalation. By focusing on time and distance, this technology enables operators to communicate safely, gather intelligence, and identify potential threats without immediate action.

The company manufacturing the ICOR Mini Caliber Robot has given an estimated lead time of nine months. For this reason, the Police Department does not expect to receive or begin using the new robot until approximately June 2025. Ordinance No. 1326 will be updated to reflect the new robot before it goes into service.

### **FINANCIAL IMPACT**

The Department of Homeland Security through the California Office of Emergency Services awarded the City grant funding in the amount of \$74,726 with no local matching funds requirement from the City for the purchase of an ICOR Mini Caliber Robot. These funds will include all the required equipment and technical support. There are no additional anticipated

training costs. If accepted the grant award would increase revenue estimates and appropriations by \$74,726 in the General Fund (Fund 010).

**ATTACHMENTS**

1. Resolution No. 11256– A Resolution Accepting Fiscal Year 2023-24 Department of Homeland Security Grant Funds Awarded Through the California Office of Emergency Services Grant Fund and Appropriation of Funds

Submitted,

---

Richard Hillman, Chief of Police

**RESOLUTION NO. 11256**

**A RESOLUTION ACCEPTING FISCAL YEAR 2023-24 DEPARTMENT OF  
HOMELAND SECURITY GRANT FUNDS AWARDED THROUGH THE  
CALIFORNIA OFFICE OF EMERGENCY SERVICES AND GRANT FUND AND  
APPROPRIATION OF FUNDS**

**WHEREAS**, the Department of Homeland Security through the California Office of Emergency Services offers grants to fund front-line law enforcement services; and

**WHEREAS**, the grant funding available to the City of Folsom for Fiscal Year 2024-25 is \$74,726; and

**WHEREAS**, these funds are separate and apart from the proposed allocations from the City’s general fund and an additional appropriation is needed; and

**WHEREAS**, the Chief of Police has requested to allocate and appropriate these funds for the for the purchase of the ICOR Mini Caliber tactical robot;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom hereby authorizes the use of the funding in accordance with the request of the Chief of Police to purchase the ICOR Mini Caliber tactical robot; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the City Council of the City of Folsom approves the acceptance of a grant from the Department of Homeland Security through the California Office of Emergency Services for the purchase of the ICOR Mini Caliber tactical robot; and

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the Finance Director is authorized to increase revenue estimates and appropriations by \$74,726, the grant award amount, in the General Fund (Fund 010).

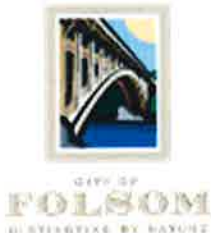
**PASSED AND ADOPTED** this 10th day of September 2024, by the following roll-call vote:

- AYES:** Councilmember(s):
- NOES:** Councilmember(s):
- ABSENT:** Councilmember(s):
- ABSTAIN:** Councilmember(s):

\_\_\_\_\_  
Michael D. Kozlowski, MAYOR

ATTEST:

\_\_\_\_\_  
Christa Freemantle, CITY CLERK



## Folsom City Council Staff Report

|                        |  |
|------------------------|--|
| <b>MEETING DATE:</b>   | 9/10/2024  |
| <b>AGENDA SECTION:</b> | Consent Calendar   |
| <b>SUBJECT:</b>        | Resolution No. 11257- A Resolution Authorizing the City Manager to Execute a Consultant Services Agreement with Dewberry, Inc. for Construction Management and Inspection Services and Appropriation of Funds from the Community Facilities District Fund and Authorize a Partial Notice to Proceed for Pre-Construction Tasks for an amount not to exceed \$200,000 for the Phase 2 Water Improvements Project (Phase 2A) |
| <b>FROM:</b>           | Environmental and Water Resources Department   |

### **RECOMMENDATION / CITY COUNCIL ACTION**

The Environmental and Water Resources Department recommends the City Council pass and adopt Resolution No. 11257 - A Resolution Authorizing the City Manager to Execute a Consultant Services Agreement with Dewberry, Inc. for Construction Management and Inspection Services and Appropriation of Funds from the Community Facilities District Fund and Authorize a Partial Notice to Proceed for Pre-Construction Tasks for an amount not to exceed \$200,000 for the Phase 2 Water Improvements Project (Phase 2A).

### **BACKGROUND / ISSUE**

The City of Folsom currently supplies treated and untreated water to an array of residential, commercial, institutional, and industrial users for over 25,000 connections. Based on land use, water demand, and water supply detailed in the City’s Water Master Plan, the ultimate Folsom Plan Area (FPA) maximum daily demand is 8.8 million gallons per day (MGD), which does not include the 0.4 MGD demand within the El Dorado Irrigation District service area.

The proposed phase of the project will construct a new 24” diameter water transmission pipeline that extends from an existing manifold located at the intersection of East Bidwell and Iron Point, on the northerly side of US 50, and extends north to the City’s Water Treatment Plant (WTP) by

ways of the rail and trail shoulder located on East Bidwell to Oak Avenue Parkway and placement within Oak Avenue Parkway. The project generally consists of the following:

- Additional potholing as needed to identify utility conflicts.
- Development of Traffic Control Plans for work covered in the project plans and specifications.
- Construction of approximately 19,700 L.F. of new 24” pipeline along the Oak Avenue and East Bidwell corridors.
- Construction of tie-ins to existing pipelines at the WTP, Scholar Way and Broadstone Parkway.
- Trail modifications, grading, paving, drainage system modifications, and tree protection.

The Phase 2 Water Improvements Project (Phase 2A) construction contract was released for public bidding on August 14, 2024, with a public bid opening to be held on September 17, 2024. The item under consideration is for consultant services related to Construction Management and Inspection Services for the project.

### **POLICY / RULE**

In accordance with Chapter 2.36 of the Folsom Municipal Code, supplies, equipment, services, and construction with a value of \$73,209 or greater shall be awarded by City Council.

In accordance with California Government Code Section 4526, selection by a state or local agency head for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.

### **ANALYSIS**

Due to the volume of work required to deliver the Phase 2 Water Improvements Project (Phase 2A), on June 14, 2024, the City issued a Request for Proposals (RFP) from consultants to provide construction management services consisting of full-time, on-site inspection, project constructability review, pre and post construction documentation, project schedule tracking, review and/or coordination of project submittals, labor compliance review, customer coordination, materials testing, and overall owner representation throughout construction. City staff included the RFP on the City’s website, on CIPList, and on Public Purchase (two nationwide online databases for bid opportunities). In addition to these online listings, City staff directly contacted 14 consulting firms given their experience completing similar types of services for City projects and other municipal agencies in the past.

In the RFP, the City provided the consultants with the evaluation criteria and the associated points available. The following table shows the breakdown of the points for each of the criteria. A narrative of the expectations for the evaluation criteria was also provided in the RFP.



| <u>Evaluation Criteria</u>                          | <u>Maximum Possible Points</u> |
|---|--------------------------------|
| Overall approach to the project                     | 5                              |
| Capabilities of the project team                    | 15                             |
| Qualifications and availability of the project team | 35                             |
| Project understanding and approach to the project   | 35                             |
| Ability to meet contract requirements               | 10                             |
| Total possible points                               | 100                            |

Proposals were due to the City Clerk’s Office on July 23, 2024, and the City received five proposals. The selection panel consisted of four City staff from the Community Development, Public Works and the Environmental and Water Resources Departments who then reviewed each of the proposals and provided their respective scores below based on the evaluation criteria listed above. The review panel also included Kelley Butcher of Pinnacle Project Management, who is the Owner’s Representative (overall project management and inspection) for the construction of the City’s infrastructure in the Folsom Plan Area. The scores below are determined solely on the demonstrated competence and on the professional qualifications for the satisfactory performance of the services necessary as required by California Government Code Section 4526 and do not include any reference to proposal cost.

| <u>Consultant</u>                 | <u>R1</u> | <u>R2</u> | <u>R3</u> | <u>R4</u> | <u>R5</u> | <u>Average</u> |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|----------------|
| 4 LEAF, Inc.                      | 88        | 82        | 75.5      | 84        | 85        | 82.9           |
| Dewberry                          | 84        | 79        | 73        | 88        | 88        | 82.4           |
| Ghirardelli Associates            | 71        | 69        | 50        | 73        | 72        | 67.0           |
| PSOMAS                            | 60        | 87        | 75        | 59        | 70        | 70.2           |
| West Yost Associates <sup>1</sup> | NR        | NR        | NR        | NR        | NR        | NR             |

The top three consultants by average score were interviewed on August 20, 2024 to further discuss the proposed project, the consultant’s approach for its management of this type of project, the consultant’s experience, the proposed project team, and provide the consultants with an opportunity to provide additional feedback on the project or other items related to the consultant’s capabilities. After the interviews were completed, the review team ranked the three consultants in the following order and selected Dewberry as the highest-ranking consultant for construction management and inspection services.

| <u>Consultant</u> | <u>Overall Rank</u> |
|-------------------|---------------------|
| Dewberry          | 1                   |
| 4LEAF             | 2                   |
| PSOMAS            | 3                   |

Once the review panel completed its overall rankings after interviews, City staff opened the cost proposal and discussed the overall scope and fee with Dewberry. There were several scope related items that City staff and Dewberry agreed could be reduced without compromise to services and this negotiation resulted in nearly a \$310,000 savings from the proposal for a total contract value

<sup>1</sup> West Yost and Associates was deemed non-responsive as the firm did not include a required quality assurance review of the 100% plans and technical specifications provided with the RFP. As stated in the RFP, the review must be completed and submitted with the proposal.

of \$2,435,058. The engineer's estimate for construction management and inspection services was \$2,925,000.

This resolution will authorize City Manager to execute a Consultant Services Agreement with Dewberry, Inc. for Construction Management and Inspection Services and appropriation of funds from the Community Facilities District Fund and authorize a Partial Notice to Proceed for pre-construction tasks for an amount not to exceed \$200,000 for the Phase 2 Water Improvements Project (Phase 2A).

### **FISCAL IMPACT**

This agreement is funded by pay-as-you-go (PAYGO) funds from the established Community Facilities District No. 17 (the District) (Fund 737). The District is located within the Folsom Plan Area, with boundaries contiguous with the Plan Area but excluding Folsom Heights. PAYGO funds were collected by the District to offset expected cost overruns with the Willow Hill Pipeline Project. Those overruns never materialized, leaving these PAYGO funds to be used for the benefit of the District. Thus, no ratepayer funding will be used to fund this contract. The EWR Department recommends that the contract be awarded to Dewberry, Inc. for an amount not to exceed \$200,000. The partial notice to proceed will allow for some pre-construction activities to begin. This includes, but is not limited to, project setup and documentation control, constructability review, plans and specifications addendums, and construction administration support. The remaining balance of approximately \$2,235,058 for the total contract amount will come back to City Council in October 2024.

### **ENVIRONMENTAL REVIEW**

On December 11, 2012 through Resolution No. 9096, the Folsom City Council approved and certified an addendum to the Environmental Impact Report, along with its related Mitigation Monitoring and Reporting Program, for the Folsom Plan Area (FPA) Specific Plan Project for purposes of analyzing an alternative water supply for the Project. The Addendum concluded that the use of the FPA Water Supply and the changes in the facilities to treat and convey that water supply to the FPA will not (1) result in new significant impacts not identified in the FPA EIR/EIS; (2) substantially increase the severity of impacts previously disclosed in the FPA EIR/EIS; or (3) involve any of the other conditions related to new information that can require a subsequent or supplemental EIR under Public Resources Code section 21166 and CEQA Guidelines section 15162, and that therefore the use of the FPA Water Supply and changes in the facilities to treat and convey that supply will not have any incrementally significant effects on the environment and that the impacts of the use of the FPA Water Supply are within the range of potential impacts identified in the FPA EIR/EIS.

### **ATTACHMENT**

Resolution No. 11257 - A Resolution Authorizing the City Manager to Execute a Consultant Services Agreement with Dewberry, Inc. for Construction Management and Inspection Services and Appropriation of Funds from the Community Facilities District Fund and Authorize a Partial

Notice to Proceed for Pre-Construction Tasks for an amount not to exceed \$200,000 for the Phase 2 Water Improvements Project (Phase 2A).

Submitted,

---

Marcus Yasutake, Director  
ENVIRONMENTAL AND WATER RESOURCES DEPARTMENT

**RESOLUTION NO. 11257**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH DEWBERRY, INC. FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES AND APPROPRIATION OF FUNDS FROM THE COMMUNITY FACILITIES DISTRICT FUND AND AUTHORIZE A PARTIAL NOTICE TO PROCEED FOR PRE-CONSTRUCTION TASKS FOR AN AMOUNT NOT TO EXCEED \$200,000 FOR THE PHASE 2 WATER IMPROVEMENTS PROJECT (PHASE 2A)**

**WHEREAS**, the City has identified this project as a priority to maintain integrity and operation of the water distribution system; and

**WHEREAS**, the City issued a Request for Proposals (RFP) on June 14, 2024 and advertised on the City’s webpage, on CIPList, on Public Purchase, and through direct contact with various consulting firms; and

**WHEREAS**, the City received five proposals in response to the RFP; and

**WHEREAS**, the City review panel conducted interviews with the top three consulting firms after reviewing and ranking the proposals based on the criteria outlined in the RFP; and

**WHEREAS**, Dewberry, Inc. by reason of their past experience and abilities for performing these types of services, are qualified to perform the required construction management and inspection services for this project; and

**WHEREAS**, sufficient funds are available in the Community Facilities District No. 17 Fund (Fund 737); and

**WHEREAS**, the agreement will be in a form acceptable to the City Attorney;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager execute a Consultant Services Agreement with Dewberry, Inc. for construction management and inspection services and authorize a partial notice to proceed for pre-construction tasks for an amount not to exceed \$200,000 for the Phase 2 Water Improvements Project (Phase 2A).

**BE IT FURTHER RESOLVED** that the Finance Director is authorized to appropriate \$200,000 in the Fiscal Year 2024-25 Budget for this agreement. The appropriation will be in the Community Facility District No. 17 Fund (Fund 737) for the Phase 2 Water Improvements Project (Phase 2A).

**PASSED AND ADOPTED** this 10<sup>th</sup> day of September 2024, by the following roll-call vote:

**AYES:** Councilmember(s):

**NOES:** Councilmember(s):  
**ABSENT:** Councilmember(s):  
**ABSTAIN:** Councilmember(s):

---

Michael D. Kozlowski, MAYOR

ATTEST:

---

Christa Freemantle, CITY CLERK

*This page is intentionally left blank  
to facilitate double-sided printing  
and minimize paper use.*



CITY OF  
**FOLSOM**  
DISTINCTIVE BY NATURE



## Folsom City Council Staff Report

|                        |  |
|------------------------|--|
| <b>MEETING DATE:</b>   | 9/10/2024  |
| <b>AGENDA SECTION:</b> | Consent Calendar   |
| <b>SUBJECT:</b>        | Resolution No. 11258 – A Resolution Authorizing the City Manager to Execute a Lease Agreement Between the City of Folsom and Practical Cycle LLC for the Lease of City Property Located at 905 Leidesdorff Street within the Historic District Parking Structure |
| <b>FROM:</b>           | Parks and Recreation Department  |

### **RECOMMENDATION / CITY COUNCIL ACTION**

Staff recommends the City Council approve Resolution No. 11258 – A Resolution Authorizing the City Manager to Execute a Lease Agreement Between the City of Folsom and Practical Cycle LLC for the Lease of City Property Located at 905 Leidesdorff Street within the Historic District Parking Structure.

### **BACKGROUND / ISSUE**

In early 2012, the City of Folsom completed the construction of the Bike Parking Installation Project, now known as the Pedal Stop, located on the lower level of the parking garage in Historic Folsom. The facility, situated at the southeast corner of Reading Street and Leidesdorff Street, directly across from the Sutter Street Light Rail Station, provides secure bike parking for up to 60 bikes. After its official opening in late 2012, the Pedal Stop initially experienced steady usage, but over the last two years, usage has significantly declined. Consequently, in late 2017, the facility was closed, and staff began exploring alternative uses for the site.

In September 2019, the city began leasing the Pedal Stop space to Practical Cycle, LLC. Since then, Practical Cycle has been paying 6% of its gross revenue as lease payments. The business has played a crucial role in encouraging economic activity within the Historic District by attracting visitors who explore the city's many cycling opportunities nearby. Throughout this period, Practical Cycle has consistently paid its monthly lease rate and done its part to care for and maintain the property.

On March 19, 2024, the City of Folsom and representatives from Practical Cycle, LLC met to discuss the lease agreement. Practical Cycle indicated their desire to renew the lease and continue operations, as the demand for a bike rental service, particularly one offering electric bikes, remains high in the Historic District.

### **POLICY / RULE**

Under Government Code Section 37380, a city may lease property it owns, holds, or controls for a period not exceeding 55 years.

### **ANALYSIS**

On March 19, 2024, staff met with representatives from Practical Cycle, LLC to discuss the lease agreement. Practical Cycle indicated their desire to renew the lease of the city-owned property and continue operations.

On April 9, 2024, staff presented to the Folsom City Council during closed session and was given direction on acceptable terms and rates for a lease agreement between the City of Folsom and Practical Cycle, LLC.

On April 11, 2024, staff discussed the terms of the lease agreement with Practical Cycle, LLC, and agreed to the major terms below:

- 5-year lease with the option to renew the lease for one additional term of 5-years.
- Lease term would begin September 15, 2024, and end September 14, 2029.
- Lessee shall pay 6% of the gross revenue generated the previous month as rent each month.

### **FINANCIAL IMPACT**

The lease agreement will have no net cost impact on the General Fund. The city will collect 6% of the gross revenue from Practical Cycle's operations at the Pedal Stop. Based on actual revenue from 2022 and 2023, the estimated annual revenue is anticipated to be approximately \$12,000-\$13,000, with potential for growth as the bike rental service gains popularity.

### **ENVIRONMENTAL REVIEW**

This action is exempt from environmental review under CEQA Guidelines 15061(b)(3), as it can be seen with certainty that there is no possibility that the lease agreement will have a significant effect on the environment.

### **ATTACHMENTS**

1. Resolution No. 11258 – A Resolution Authorizing the City Manager to Execute a Lease Agreement Between the City of Folsom and Practical Cycle LLC for the Lease of City Property Located at 905 Leidesdorff Street within the Historic District Parking Structure



Submitted,

Kelly Gonzalez, Parks and Recreation Director

**RESOLUTION NO. 11258**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT BETWEEN THE CITY OF FOLSOM AND PRACTICAL CYCLE, LLC FOR THE LEASE OF CITY PROPERTY LOCATED AT 905 LEIDESDORFF STREET WITHIN THE HISTORIC DISTRICT PARKING STRUCTURE**

**WHEREAS**, the City Council desires to lease a portion of the city-owned property at 905 Leidesdorff Street within the Historic District Parking Structure; and

**WHEREAS**, Practical Cycle, LLC has been under a lease agreement with the City of Folsom which will expire on September 14, 2024; and

**WHEREAS**, the City Council directed staff to negotiate the terms of the lease agreement with Practical Cycle, LLC; and

**WHEREAS**, the City desires to enter into a lease agreement with Practical Cycle, LLC for the lease of a portion of the city-owned building at 905 Leidesdorff Street within the Historic District Parking Structure; and

**WHEREAS**, the agreement will be in a form acceptable to the City Attorney:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager to execute a lease agreement between the City of Folsom and Practical Cycle, LLC for the lease of city property located at 905 Leidesdorff Street within the Historic District Parking Structure

**PASSED AND ADOPTED** this 10 day of September 2024, by the following roll-call vote:

- AYES:** Councilmember(s):
- NOES:** Councilmember(s):
- ABSENT:** Councilmember(s):
- ABSTAIN:** Councilmember(s):

\_\_\_\_\_  
Michael D. Kozlowski, MAYOR

ATTEST:

\_\_\_\_\_  
Christa Freemantle, CITY CLERK