



City of Roseville City Manager's Quarterly Report

October – December 2022



Maintain a safe and healthy community

Real Time Crime Center

The Real Time Crime Center (RTCC) continues to operate in its basic state four days a week. RTCC is used by the Roseville Police Department (RPD), Patrol officers. The RTCC assist with responding to calls for service and in progress crimes. The RTCC FLOCK system has been instrumental in recovering 13 stolen vehicles, an arson suspect, numerous theft reports, and locating a missing Alzheimer patient.

The RTCC was influential in immediately locating a fleeing suspect vehicle of a bank robbery in Roseville. The Patrol Officers stopped the vehicle as it was entering the freeway, recovering the stolen money and arresting the suspect.

The City of Roseville’s goal is to have the RTCC computer system implemented and functioning by spring 2023. City Council recently approved the contract for the system hardware and will be presented with a recommendation for a software vendor at the January council meeting.

Traffic Enforcement (For November)

- Top Three Collision Locations with five at each location in November
- 1189 Galleria Blvd (*general Mall address*) • Cirby Way / Riverside Ave intersection • 6750 Stanford Ranch (*Costco parking lot*)



Calls for Service
3,410



Total Collisions
231



Traffic Stops
625

The RPD Traffic Unit is the primary unit enforcing traffic in the City of Roseville. The Traffic Unit focuses on the areas in the City with the highest numbers of collisions, and the areas with the most complaints from the community. During November the Traffic Unit made approximately 200 traffic stops, focusing on the following areas:

- Sierra College/Miner’s Ravine
- Eureka Rd/E. Roseville Pkwy
- Douglas Blvd/Rocky Ridge Dr
- Roseville Pkwy/Galleria Blvd
- Central Park/Highland Park (Thomas Jefferson Elementary School)
- Fiddymment Rd/Blue Oaks Blvd
- Baseline Rd/Woodcreek Oaks Blvd





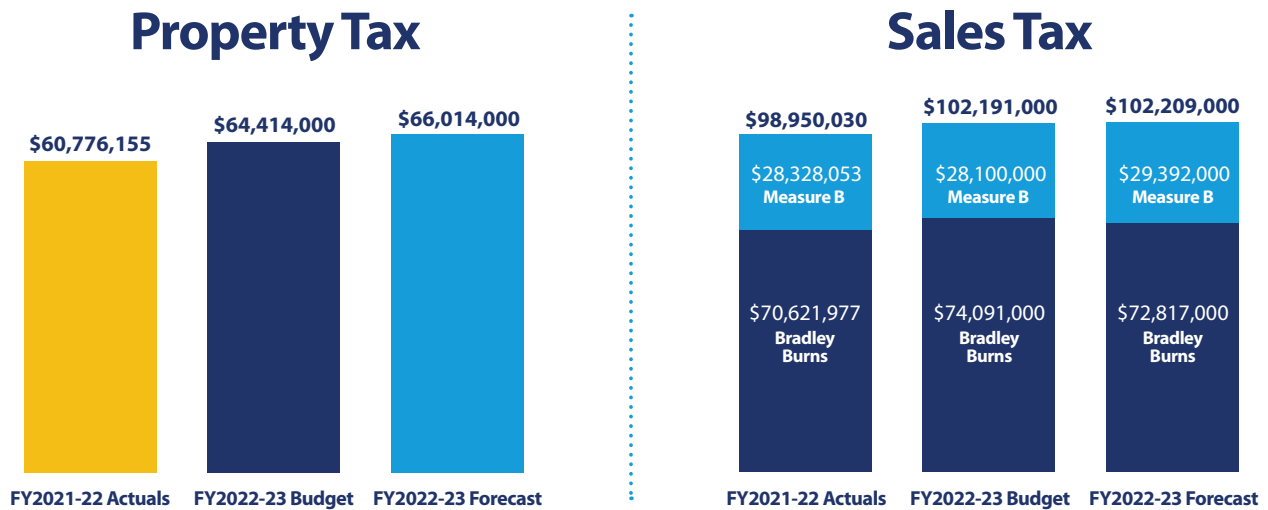
Remain fiscally responsible in a changing world

Measure C

Voters approved Measure C on November 8, 2022 by 72.33%, to increase the City’s Transient Occupancy Tax (TOT) or Hotel and Lodging Tax will increase on January 1, 2023 from 6% to 10%. Based on the final TOT revenue of nearly \$4.5 million in FY2021-22, the higher rate would have generated an additional \$2.9 million of tax revenue for the General Fund last year. The City’s tax administrator has communicated with Roseville hotels and short term rental operators about the effective date and how to manage the transition.

Property & Sales Tax

City sales tax and property tax revenues for FY2022-23 are coming in modestly above budget estimates and the updated forecast for the fiscal year is still aligned with our budget estimate. Staff monitor sales tax revenue closely because there is a time lag between taxable sales and revenue distribution from the state to the City. Because of the time lag, actual results for the remainder of the fiscal year could still vary significantly from the budget estimate if taxable sales in the local economy slow. On the other hand, property tax revenue is based on the assessed valuation as of January 1, 2022, and information from the County Assessor and Auditor-Controller indicates that our expected revenue will exceed our budget estimate by approximately \$1.6 million.



Rate Changes/Evaluations/Significant Rating Action

While the City maintains a strong AA credit rating, staff have informally communicated with one of the rating agencies via a bond-underwriting firm to confirm the primary financial factor that could lead to an AAA credit rating – paying down the City’s Unfunded Accrued Liability (UAL).

The UAL is the portion of the CalPERS pension obligation to fund past service credit earned for retirees who are currently receiving benefits, active employees, and for former employees entitled to deferred benefits. Based on this information, the City should continue to prioritize making additional discretionary payments and funding the new pension trust fund to demonstrate continued prudent financial management of this significant obligation.

In November, S&P Global Ratings, one of the leading credit rating agencies, “affirmed” (or maintained) its AA rating for the Roseville Finance Authority bonds for Roseville Electric with an outlook of “Stable”. This affirmation and stable outlook were positive news given the volatility of the energy markets, and S&P recognized the “utility’s well-embedded management policies have resulted in a stable financial risk profile, which we believe is sustainable in the medium term given the system’s rate-raising flexibility. We believe the utility’s conservative management has demonstrated its ability to meet or exceed financial projections. We view the utility’s sound financial management and its consistently healthy financial performance, which continues to meet or exceed financial targets, as consistent with the current rating.”

Rates

The electric energy surcharge of 8% will be effective from 2/1/2023 through 12/31/2024. The surcharge is to cover additional costs the utility is incurring in the power supply market. The other expenses of the utility, including labor, operations, and capital investments, are not included in this rate action. The energy cost surcharge proposal exempts our customers who participate in the low-income, senior, and medical rate reduction programs.

The broader power supply market has experienced a rapid and significant increase in both electric and natural gas costs over the past year. The conflict in Eastern Europe, domestic energy policy, and record U.S. LNG exports have combined to create a natural gas supply shortage, pushing up electric prices. The 23-month surcharge will give the utility time to determine if the high cost energy market is permanent or transitory in nature.

Biennial Rate Process

EU has a rate consultant under contract that has met with operational and financial staff regarding forecasted labor, materials, projects and other fiscal needs. Staff expects to see preliminary rate projections from the consultant by the end of 2022 or early 2023. Following this draft report, EU will schedule briefings with the City Manager's office in early spring 2023 and then later to City staff for internal vetting. Once vetted, EU will present the draft rate proposal to community interest groups and conduct at least two public hearings before planned adoption in late May/early June 2023 as in previous practices.



Enhance economic vitality

Significant Development Projects

Corridor Plans – The Corridor Plans Project is intended to reimagine three of Roseville’s oldest commercial corridors: 1) Atlantic Street, 2) Douglas Boulevard and Harding Boulevard, and 3) Douglas Boulevard and Sunrise Avenue. The Plans establish a vision for the future and appropriate development standards, regulatory incentives, and design standards. The Specific Plans include a community-based vision that respects the unique identity of each corridor and its surrounding communities. The project involved extensive public outreach and communication, including virtual workshops, a virtual walking tour, multiple in-person workshops and information sharing sessions, tens of thousands of mailed notices and letters, and extensive social media and email communication. City Council adopted these plans on December 21, 2022.

Roseville Industrial Park – The Roseville Industrial Park proposes a range of industrial uses, including light manufacturing, warehousing, and distribution uses (totaling up to 2,430,000 square feet), a potential electrical substation, and associated site improvements. The project would include up to 15 buildings, ranging in size from 80,000 square feet to 300,500 square feet. A draft Environmental Impact Report is expected to be released in January or February 2023 with Planning Commission and City Council action in summer 2023.

West Roseville Marketplace – In November, the Planning Commission approved development of a 76,000 square foot shopping center on 8.80 acres on the northeast corner of Pleasant Grove Boulevard and Fiddymont Road. The project would include a 55,592 square foot Safeway, 13,950 square feet of inline shops, one freestanding building with a gas station, and a freestanding drive-through building. Construction is expected to begin in late 2023 or early 2024.



Blue Oaks Retail Center Phase 2 (Dutch Bros / Chick-fil-A) – This project would include six (6) freestanding commercial buildings ranging between 950 and 13,200 square feet in size; two (2) of the commercial buildings are proposed with a drive-through user (i.e., a Chick-fil-A and Dutch Brothers), the remaining building tenants are unknown at this time. The project is expected to be considered for approval in the first quarter of 2023.

Baseline Marketplace - Costco – Costco has submitted entitlement applications to develop a new 160,529 SF Costco warehouse building along with a fuel facility and car wash located at the northwest corner of Baseline Road and Fiddymont Road. The project is under review and is expected to be considered for approval in the first quarter of 2023.

TSI Semi-Conductors – Roseville Electric Utility continues to partner with TSI Semiconductors on several significant items including utility billing payment plans, reviewing the possibility of future retail energy agreements, providing incentives on multiple energy saving projects, and assisting in power restoration. Staff are working with their new executive team, CEO Oded Tal, and CFO Barak Tulin, to maintain and enhance the partnership we have with one of our largest utility customers. TSI anticipates an increase in production and electrical energy consumption in the near term and is committed to transparency around their operations and to keeping the City informed as things change within TSI.

New Businesses

Several new restaurants opened including – La Popular (234 Gibson Dr); Moska (10007 Foothills Blvd); La Huaca (1850 Douglas); and Daniellos (229 Vernon Street)

Westfield Galleria – Westfield has announced several new retailers they have signed contracts with or are negotiating leases including Nike, Free People, Doc Martin, All Saints, Alo Yoga, and Aritzia. Westfield also has a new \$80 million plan to redevelop the Promenade. Redevelopment could include new indoor/outdoor restaurants and higher-end retailers with a potential flagship home store. However, the project is currently on hold. Westfield will assess the retail market over this quarter and determine a schedule early this year. Westfield has also acquired the building where Round One is located, which was formally the Sears store. They plan to occupy the ground floor with new retailers to this portion of the mall as well.

Green Acres – Green Acres opened their new location at 7300 Galilee Rd on November 17, 2022.

Roseville Rising – The City completed the first Roseville Rising Cohort, which provided 12 businesses with insights, education, and mentorship to help grow their businesses. The program culminated with the businesses participating in a pitch event at Placer Valley 2022 and awarded over \$20,000 in prizes consisting of cash and in-kind services. A second cohort focusing on youth entrepreneurship will launch in Q1 of 2023 and will focus on problem identification/business plan development and solution formation.



Proposed Businesses

200 Vernon Street – Tower Investments is redeveloping the former 40,000 Sq. Ft. Consolidated Communications office building into office and retail/restaurant spaces, as well as second-floor residential units. The ground floor will feature both restaurant and retail space. The second floor will feature a mezzanine level for the restaurant, in addition to residential units and fitness center.

Galpao Gaucho Restaurant (1400 Eureka Rd) – Brazilian steakhouse signed a lease for the 8,126 Sq. Ft. restaurant space previously occupied by Carvers and Suede Blue.

Homewood Suites Hotel by Hilton (1698 Freedom Way) – Submitted Planning entitlements for a new hotel at the NCRSP Parcel 49 site behind Top Golf. The four-story hotel will feature 115 rooms with an outdoor swimming pool, lounge area and indoor fitness center.

Tous Les Jours (9400 Fairway) – Tous Les Jours is a bakery & café franchise, specializing in French-Asian-inspired baked goods including artisan pastries, gourmet cakes and desserts, and handcrafted beverages. Tous Les Jours has submitted a building permit application for what will be its first location in the region.

Business Expansions

Nate's Fine Foods – Currently planning an expansion to increase production, packaging, and distribution of its pasta and dry grain food products. Nate's Fine Foods currently has 112 employees. In the last 18 months, Nate's has tripled its business and currently serves notable eating establishments, including Panera.

Quick Quack – Expanded its headquarters by moving its manufacturing to Roseville where the company will design and fabricate car wash components. This move brings more than 60 jobs to the City, including software and hardware engineering roles, with more jobs planned as the business continues to expand.

Penumbra – In 2018 Penumbra opened its facility in the Roseville Innovation Park occupying 157,500 Sq. Ft. with 250 employees. Penumbra has continued to grow, expanding its lease in 2021 occupying 254,000 Sq. Ft., and currently employs over 800 employees.

Existing Surplus Properties

401 & 403 Oak – Under the Exclusive Right to Negotiate (ERN), City staff is working closely with SKK Development as they refine the project to determine feasibility. The negotiation period is set to expire in April 2023. If successful, City Council will have the opportunity to approve a purchase and sale agreement to sell the property to SKK for the development of a mixed-use project.

Old Post Office – Due to the existing market conditions, the property owner does not have any immediate plans to move forward with development at this time. Per the terms of the sale agreement, future development of the site will likely include a mix of housing and ground floor commercial space.

Old Courthouse Site – Bridge Housing was not successful in obtaining state funding in this last round and has paused the design efforts as they work through next steps. Bridge has noted its commitment to the project and will reapply for state funding in the next round; this was anticipated and the Purchase and Sale Agreement was extended longer than usual to account for additional time to secure required funding.



Invest in well-planned infrastructure & growth

Sports Complex

Complex to include 10 lighted artificial turf fields; two plaza areas with restrooms, picnic areas, and concessions; and a universally accessible playground. Staff is finalizing contract/GMP. Project to break ground spring 2023 and open in 2025.

Weber Park

Plans include lowering the park topography to provide greater visibility through the park, a walking loop around the park with exercise stations, picnic area, and expanded children's play area. The design is complete and currently the write-in period is underway for the public. Project to break ground spring 2024 and open in 2025.

Johnson Pool

Phase 1 includes ADA Improvements to the restrooms and showers. This will go to bid early 2023 and be completed summer 2023. Phase 2 replaces the pool's fiberglass shell, creating a zero entry, adding splash components, replacing the pool deck, and upgrading mechanical equipment. Phase 2 improvements to begin after the 2023 summer season and will be completed summer 2024.

New Parks/Openings

- NC-57 Dog Park – open in early 2023.
- Four Corners Park – open in early 2023.
- Crimson Ridge Park – open in early 2023 (turnkey park).
- Audrey Huisling Park – open in spring/summer 2023.
- Solaire Park – redesigned due to budget constraints. Break ground in spring/summer 2023.
- Denio Family Park – Break ground in spring/summer 2023.
- Riego Creek Park – Break ground in summer 2023.
- John Byouk Park – Break ground in late summer/fall 2023.
- Gibson Park site – currently bidding.
- Campus Oaks Park – under construction, estimated completion TBD (turnkey park).



Roseville Parkway Extension

Staff is working through some small property acquisitions and easement matters. The owner of the property leased to FedEx has accepted the City's offer of needed right-of-way and escrow will be closing soon. There are two property owners that have been non-responsive to a recent offer from the City. Staff anticipates the project to begin in August.

Fire Station #8

The project is a design-assist contract where staff hires a contractor to partner with the architect to make sure the design is complete and value engineered. The contractor has been hired and is currently working with the designer. Staff expect 90% plans in early January and hope to begin construction in April.



Pleasant Grove Widening & Timing of Signals

The design is at 65% complete. Staff are working on purchasing a long thin piece of the old NEC property along Pleasant Grove to widen the road. The environmental document is out for public review. Staff plan to construct this project during the 2023 construction season.

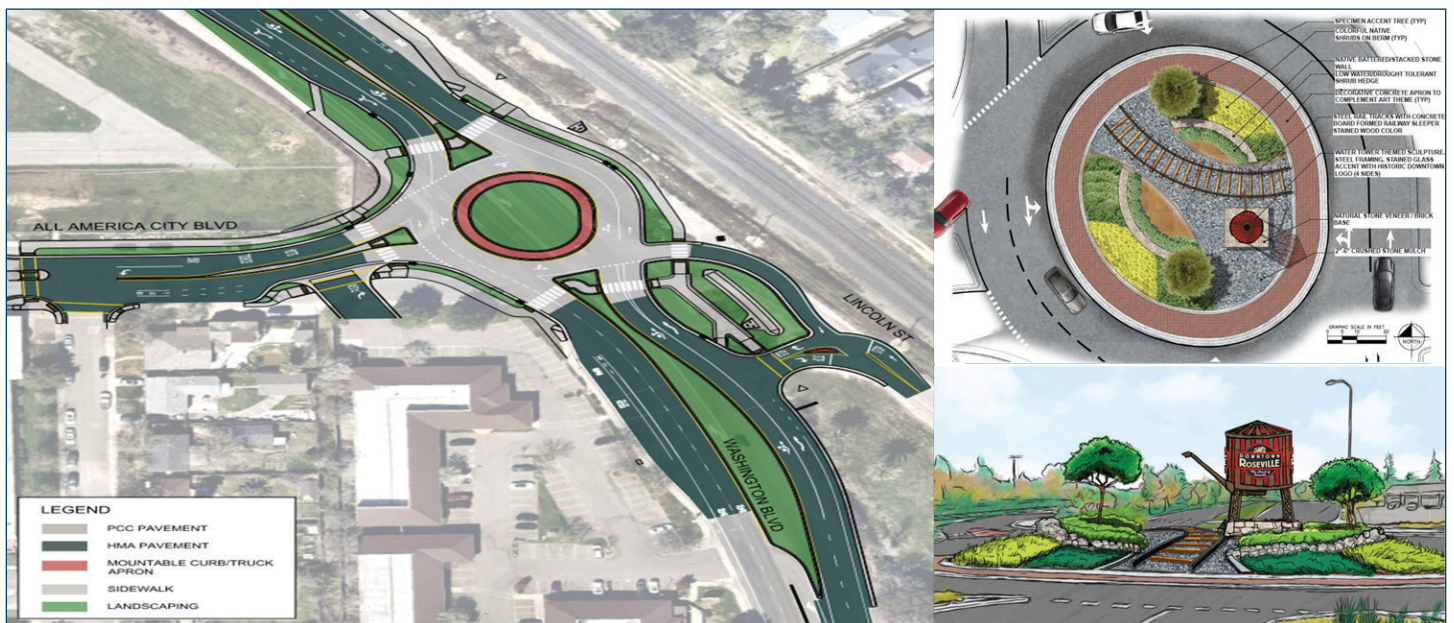
Staff has been evaluating signal operations along Pleasant Grove west of Woodcreek Oaks. Those signals have not been coordinated in the past due to low traffic volumes. The new analysis shows that Pleasant Grove would benefit from being coordinated from Fiddymont to Woodcreek Oaks, but there is still insufficient traffic on Pleasant Grove to the west of Fiddymont for coordination. Coordinating traffic signals with low traffic volumes leads to complaints from the public because they do not like waiting at a red light on a side street when there are no cars on the main road. The new signal timing should go into effect after the holidays.

Council Chambers

A consultant has been hired to complete a feasibility, high-level design, and cost estimate for expanding the Council chambers. The Project Design Team (PDT), consisting of staff from various departments, are completing site visits to several recently updated Council chambers around the area to get ideas of what is possible. The consultant has completed a desired outcomes/needs assessment with that same PDT. They have also completed a 3D model of the existing space to provide a base for creating the new proposed space. The study should be completed in early 2023.

Washington Roundabout

The Washington at All America City Roundabout project is under construction. Much of the early work of the project involved underground utilities and drainage. That work is almost completed. Assuming good weather, work on surface improvements and constructing the actual roundabout, will begin by late January. Construction should be completed before the end of 2023.



AMI

The Advanced Metering Infrastructure (AMI) project recently completed the development of a multisystem integration between Roseville's Meter Data Management System (MDMS) and Customer Information System (CIS). Upon completion of this development, comprehensive systems and user acceptance testing was successfully executed. The project is preparing for the meter installations pilot for both residential and commercial utility customers starting March 2023. This pilot will last approximately 3 months and will be followed by a 12-month full installation. The project is anticipated to be completed September 2024.

Transformers

Roseville Electric continues to encounter supply chain shortages for electric utility transformers. Over the past six months staff made some progress by procuring a few new suppliers. Also several small shipments of transformers have been received from previous orders.

Staff worked with the development community to distribute them when they arrived. Staff have placed orders for two years' worth of inventory, however, we are waiting to hear when we can expect to receive those orders.

Additionally, staff is addressing the issue on a national level. Electric Utility Director, Dan Beans, is working with the Department of Energy on a special committee assigned to investigating the causes of the shortage and developing solutions.



Pleasant Grove Wastewater Treatment Plant Expansion and Energy Project

These projects are currently in the startup/commissioning phase where the City starts to formally take control of built facilities from the contractor. The energy project has been producing Compressed Natural Gas (CNG) from connections to PG&E natural gas lines for several months, whereas the expansion project cut in the new primary clarifiers in October and began seeding our new digesters in late November. In early 2023, these digesters will start producing biogas, which will be used for CNG production.

As these projects wind down, the City and its advisors have reached resolution on potential time and expense claims from the contractor. These projects have been difficult for a number of reasons, but this being the first project in Roseville for this contractor, the global pandemic, supply chain and labor shortages have made a complicated project more complicated than normal.

EU Operations Facility and Materials Recovery Facility (MRF)

The City had hoped to receive multiple proposals from firms to assist the City with 30% design, environmental work, final design work and construction support. Alternately and perhaps due to possible early recessionary posturing, we received one proposal made up from a number of consulting firms, including specialty firms, who decided to team on this project so that they can effectively deliver this project from inception to completion and all matters in between. Action and approval to approve a PSA will be in spring 2023.



Support community engagement and advocacy

Roseville Venture Lab (Growth Factory)

Innovation Program – Staff, in collaboration with the Growth Factory, is working on an innovation program that will identify and define business/technical challenges, screen and source startups based on organization synergies, build case studies for pilot opportunities and support local startups by building early relationships.

Staff is also considering a City demonstration policy that will correspond with the innovation program and provide a pathway for businesses to collaborate with City departments.

Community engagement/Inclusive Economic Development – Friday “Coffee Conversations” will begin in January and will provide subject matter experts/mentors opportunities to discuss and present on relevant topics (e.g. City procurement/permit process, financial advice, marketing strategies, etc.).



ROSEVILLE VENTURE LAB
POWERED BY GROWTH FACTORY

CRM

All departments have made significant progress with the Configuration Templates. City staff are still working diligently to gather all the requests they would like to offer residents and build out the Knowledge Based Article (KBA) library to accompany those requests. The vendor - Rock Solid, is working on having a test environment so staff can become familiar with the system and continue to customize the requests to meet the resident’s needs.



Open Data / Open Budget – Performance Measurement

Since the revamp of our Open Data Portal in December 2021, considerable progress has been made to increase engagement and provide more transparency for our residents. More than fifty Key Performance Indicators have been added to the portal to help the City track staff progress. Additionally, the Open Budget Module was launched in late October. In January 2023, staff will begin work on our Capital Projects Explorer Module. This module will track all capital projects in a centralized location; provide detailed information on location, budget, anticipated timeframes, and progress of our current capital improvement projects.

Data.roseville.ca.us



Deliver exceptional City services

Number of New Single Family Home Permits Issued/ Number of Code Enforcement Cases

Development activity remains high, but in different market segments than the past few years. Land development activity such as new subdivision construction has slowed considerably, while multi-family, tenant improvements, and new commercial construction have picked up significantly. Development Services expects the start of up to 1,500 multi-family apartment units within the next 12 to 18 months.

Total permit volume has resumed a more normal pattern in the first two quarters and are on pace to meet the Development Services Department’s budget targets for Fiscal Year 2023, but is approximately 20% lower than the extraordinary volumes experienced during Fiscal Years 2020, 2021, and 2022.

Total records processed	Fiscal Year 2022	Fiscal Year 2023 (through 12/15/2022)
• Building permits	7,798	3,188
• Single Family Dwelling (SFD) permits	1,790	462
• Revisions	1,143	298
• Master Plans	67	41
• Planning entitlements	175	76
• Ministerial permits	205	175
• Sign permits	157	88
Code Enforcement		
• Inspections conducted	5,296	2,787
• Complaints responded to	1,492	1,096
• Cases closed	1,417	695

Water Year 23

Following three dry years, it is unknown at this time how WY23 will unfold, a forecasted La Nina year indicates that a 4th dry year seems likely this coming year. In cases where the flood control space in Folsom reservoir is encroached upon, there may be opportunities in the coming winter months where additional non storable flood water may be made available to Roseville by the U.S. Bureau of Reclamation to actively recharge the groundwater basin using the City’s Aquifer Storage and Recovery (ASR) wells as has been the case the last two years.

Vacancy Rate - Staffing

The City’s regular position vacancy rate is at 21.48% for the months July - September, which is up 2% from the same quarter last year. The City has had a turnover rate of 9.51% for 2022 (122 separations, of which 26 were retirements and 10 employees left within the first 90 days in 2022).

The vacancy rate remains high, in part because the staff are successfully growing and promoting staff from within (155 promotions in 2022), which also helps with employee retention.

NEOGOV

Staff is working to implement a more robust applicant tracking system, called NEOGOV. This will start in mid-January and will make the recruitment process more efficient for establishing employment lists, more effective for departments to utilize, and with better reporting so staff can monitor trends.





Regional updates

Placer One

Formerly known as Placer Ranch, “Placer One” is a partnership between Placer County, California State University, Sacramento, Sierra College and Taylor Builders to develop approximately 2,213 acres in South Placer County’s Sunset Area. The project includes a 300-acre site for development of the Sacramento State Placer Center and a Sierra College extension. At buildout, Placer One is planned to accommodate 5,636 residential units, including single-family detached and multifamily attached units, age-restricted neighborhoods, and mixed-use facilities.

The first phase of development is underway and will consist of approximately 900 single-family units accessed from Fiddymont Road. Roseville residents in the Fiddymont Ranch neighborhood will soon be impacted by the construction of four force sewer mains, which will require closure or significant traffic restrictions on Angus Road for an extended period of time. Installation of a water line connection on Woodcreek Oaks Boulevard will also potentially impact Roseville residents.

Lastly, engineering staff is waiting for the results of a traffic study to determine at what point roadway connections need to be made to Woodcreek Oaks and Foothills Boulevard. Design plans are underway for the Foothills Boulevard Bridge over Pleasant Grove Creek, which is required to complete the Foothills extension. This is likely within the next three to five years. Development Services and Public Works staff continue to engage Placer County and the developer regarding these issues.

Placer Vineyards

Placer Vineyards encompasses 5,230 acres south of Baseline Road, generally south/southwest of the Sierra Vista Specific Plan (SVSP). The project is entitled for more than 14,000 residential units. Construction is underway on the first phase which includes seven properties (Property 1A, 3, a portion of 4B, 7, 12B, 15 and a portion of 19) totaling 1,535.3 acres, or approximately one third of the plan area, and will include construction of up to 5,266 residential units, 42 acres of retail, commercial and office/professional uses, schools, parks, open space and other public serving land uses. Placer Vineyards shares responsibility with the Sierra Vista landowners for widening Baseline Road, which is coordinated by Development Services and Placer County.

Regional University

The 1,157-acre Regional University Specific Plan is split into two components: the university plan and the community plan. Combined, the plan consists of a mixed-use development of 973 housing lots, a four-year private university, commercial/retail spaces, a neighborhood park, a fire station, a public elementary school, open spaces, and accompanying infrastructure.

On December 6, 2022, the Placer County Board of Supervisors approved revisions to the specific plan, including the relocation of the proposed fire station and the re-configuration of park space to make room for a sewer lift station lot. The Board also approved revisions to the development agreement modifying the plan’s requirement to build the segment of Santucci Boulevard from Baseline Road to Pleasant Grove Boulevard. This segment is an obligation of the SVSP. The County reserved the right to compel Regional University (RU) to complete this segment if the SVSP does not complete it in a reasonable timeframe and a traffic study demonstrates the need.

In addition, the RU Development Agreement (DA) now includes a provision obligating the landowner to construct the segment of Santucci Boulevard at the County’s request, and provided the roadway is incorporated into the City/County fee program. Development Services staff was involved in the DA negotiations to ensure Roseville’s interests were protected.

County General Plan Update project

In November 2022, the Board of Supervisors directed County staff to begin the process to update the County’s General Plan. The County’s current General Plan was last comprehensively updated in 1994. The update will require staff time and coordination with multiple City departments.