

RESOLUTION NO. 2011-170

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE AUTHORIZING THE CITY MANAGER TO EXECUTE AN ECONOMIC INCENTIVE AGREEMENT WITH CALIFORNIA CORRECTIONAL HEALTH CARE SERVICES IN THE AMOUNT OF \$1,900,000 OVER THREE YEARS; AUTHORIZING THE CITY MANAGER TO EXECUTE AN ECONOMIC INCENTIVE AGREEMENT WITH PAPPAS INVESTMENTS IN THE AMOUNT OF \$1,400,000; AUTHORIZING THE CITY MANAGER TO ENGAGE IN FURTHER DISCUSSIONS WITH PAPPAS INVESTMENTS FOR POSSIBLE ADDITIONAL ECONOMIC INCENTIVES; AND AMENDING THE FISCAL YEAR 2011-12 BUDGET IN THE AMOUNT OF \$1,666,000

WHEREAS, the City of Elk Grove has a large number of residents that are employed by the State of California; and

WHEREAS, the City Council created the State Office Building Incentive Program to encourage state agencies to locate in Elk Grove and move jobs closer to employee residences; and

WHEREAS, California Correctional Health Care Services has identified a site in Elk Grove as its preferred location for consolidation of approximately 1,500 jobs; and

WHEREAS, the City's State Office Building Incentive Program was a significant factor in the selection of a preferred location; and

WHEREAS, Pappas Investments will invest significantly in the City with new infrastructure and facilities totaling more than \$60 million; and

WHEREAS, the total estimated direct, indirect and other revenues generated from the project will be between \$3.0 million to \$4.0 million.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby:

- 1) Authorizes the City Manager to execute an *Economic Incentive Agreement* with California Correctional Health Care Services in the amount of \$1,900,000 over three years subject to City Attorney approval and the execution of a lease agreement with the property owner, Pappas Investments; and
- 2) Authorizes the City Manager to execute an *Economic Incentive Agreement* with Pappas Investments in the amount of \$1,400,000 subject to City Attorney approval and the execution of a binding financial commitment; and
- 3) Authorizes the City Manager to engage in further discussions with Pappas Investments for possible additional economic incentives, all subject to City Council final approval of such additional incentives; and

- 4) Amends the Fiscal Year 2011-12 Budget to transfer \$1,666,000 from General Fund Undesignated Reserves to the Economic Development Fund.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 14th day of September 2011.

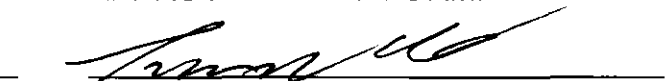


STEVEN M. DETRICK, MAYOR of the
CITY OF ELK GROVE

ATTEST:


JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:


JONATHAN HOBBS,
INTERIM CITY ATTORNEY

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2011-170**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)


I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a special meeting of said Council held on September 14, 2011 by the following vote:

AYES : **COUNCILMEMBERS:** *Detrick, Cooper, Davis, Hume, Scherman*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN : **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *None*



**Jason Lindgren, City Clerk
City of Elk Grove, California**