REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
November 25, 2008

Honorable Mayor and
Members of the City Council

Title: Sewer Credit Approval: Duckhorn Village

Location/Council District: 3901 Duckhorn Drive/District 1

Recommendation: Adopt a Resolution awarding a total of 56.25 Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described project known as Duckhorn Village.

Contact: Trevor Walton, Project Specialist: 808-6764

Presenters: N/A

Department: Economic Development

Division: Citywide

Organization No: 18000

Description/Analysis

Issue: The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding 56.25 SRCSD sewer credits to the project known as Duckhorn Village. The Duckhorn Village project will be located at 3901 Duckhorn Drive (APN: 225-0140-040).

Policy Considerations: The City of Sacramento views projects that promote job creation as important to the economic development strategy of the City.

Environmental Considerations: This project is subject to the environmental review process as part of the approval of its development application.

Sustainability Considerations: There are no sustainability considerations applicable to the awarding of sewer connection fee credits.

Rationale for Recommendation: This candidate for sewer credits meets Council-approved criteria for the granting of sewer credits pursuant to Resolution 2006-457, adopted on June 20, 2006. The Duckhorn Village is a proposed senior citizen apartment facility which will create approximately thirty (30) new jobs. To promote urban infill development and job creation, it is recommended that the City Council issue sewer connection fee credits to the Duckhorn Village project.

Financial Considerations: Approval of the resolution imposes no additional expense upon the City beyond the minimal administrative costs associated with processing the approved credits.

Emerging Small Business Development (ESBD): Not Applicable

Respectfully Submitted by: _____
Trevor Walton, Program Specialist

Approved by: _____
David L. Spaur, CEcD, EDFP
Economic Development Director

Recommendation Approved:

_____
Ray Kerridge
City Manager

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Attachment 1

BACKGROUND:

The Sacramento Regional County Sanitation District (SRCSD) established an Economic Development Treatment Capacity Bank (Bank) in June 2000 and the City of Sacramento received the June 2000 initial allocation of 7,971 Equivalent Single Family Dwellings (ESDs) Credits from the Bank. At the time, SRCSD limited local jurisdictions to using a maximum of 15 percent of its total allocation for residential purposes. The City of Sacramento subsequently received another allocation of 756 ESDs in March 2005, bringing the total ESDs to 8,727.

Following the allocation, the City requested greater latitude to use the Credits to assist in housing development. In response to the City's request, SRCSD reconvened the Stakeholders' Working Group to discuss the proposed additional flexibility for residential purposes, to recommend a methodology for allocation of additional excess capacity that the District has purchased, to recommend disbursement guidelines for the District's own allocation from the Bank, and to address other administrative actions.

Amendments adopted on June 20, 2006, in Resolution 2006-457 expanded the additional 15 percent annual allocation to also include infill and transit-oriented housing. This permitted each local jurisdiction to have more flexibility in using the Bank. As of October 2008, the City of Sacramento has issued 1641.99 Credits in sewer credits since the program's inception.

Resolution 2006-457 approved the amended MOU between the Sacramento Regional County Sanitation District (SRCSD) and the City and authorized the City Manager to execute the amended MOU. The Resolution also approved the Guidelines for the allocation and awarding of Treatment Capacity Bank Credits for commercial development, Downtown, low-income, and infill / transit-oriented development (TOD) projects.

A prospective project for the sewer credit fee reduction ($923 per ESD) must meet at least one of the following criteria:

1. Projects in redevelopment, CDBG and/or infill development areas;
2. Project that creates additional employment or is a catalyst project and creates high job creation that will further economic development;
3. Project is located in a neighborhood commercial corridor or is located at a targeted key development site identified in the adopted City Economic Development Strategy.

Attachment 2

CITY OF SACRAMENTO: Application for Economic Development Treatment Capacity Bank Sewer Credits

Before submitting this application for processing, please contact the Sacramento Regional County Sanitation District (SRCSD) at (916) 876-6100 to receive a quote stating the number of ESD's required for your business. This application will not be processed without a quote from the SRCSD. Please call Noreen James at 916-808-5470 with any questions as to eligibility for sewer credits or for assistance in completing the application.
Please print or type your responses to the questions below and provide additional information as requested. When complete, return to: Economic Development Department, City of Sacramento, by mail at 915 I Street, 3rd Floor, Sacramento, CA 95814; or by fax to 916-808-8161.

1. Project Name: Duckhorn Village
2. Address for which Credits sought: 3901 Duckhorn Dr. Zip: 95834
3. Assessor's Parcel Number: 225-0140-040
4. Legal Name of Business Owner: Gateway West
5. Owner's Mailing Address: 4020 Sierra College Boulevard
6. Owner's Phone Number: (916) 624-6200 Owner's Fax Number: (916) 624-6266
   Owner's email address: _____
7. Brief Project Description: Senior Citizen Apartment Facility
8. Please mark the category that best describes your project:
   Residential_____ Number of Units_____ Low Income Project? Yes_____ No_____
   Commercial _____ Number of new jobs from creation/expansion_____
   Mixed X Number of Residential Units 75 Number of new jobs from creation/expansion 35
9. Are sewer credits being sought for a business relocating from another site within the Sacramento Metropolitan area? Yes _____ No _____ If yes, what address relocating from?_____

Applicant signature: W.S. [signature] C.B. Date: 8-25-08
Print Applicant's Name: Martin A. Harmon

To be completed by City:

Prepared By: [signature] Number of approved ESDs: 56.25
Noreen James, Project Manager

Approved By: [signature] Fax _____
Jim Rinehart, Citywide Division Manager Date

Notes and Project Information:
- new job creation Council District 1
- _____

Attachment 3

Sacramento Regional County Sanitation District
10545 Armstrong Ave Suite 102
Mather, California
95655

AUGUST 20, 2008

TO: **TO WHOM IT MAY CONCERN**

FROM: **PATRICIA L. DOYLE**
SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

RE: **SEWER IMPACT FEES** APN: 225-0140-040
3901 DUCKHORN DR CASE# **SICC2008-00269**

The Sewer Impact Fees for the proposed **75 Unit Senior Apartments** located at the above address and parcel number is as follows:

	ESDs	RATE	FEES
SACRAMENTO REGIONAL SANITATION DISTRICT			
75 Units x 0.75ESDs	56.25	$7,450	
TOTAL SEWER IMPACT FEES	56.25	$7,450	$419,063

Payment of these fees are due at time of permit issuance and must be accompanied by a Sewer Impact Fee form, which can be obtained at our office. If I may be of any further assistance, please do not hesitate to call me at 876-6100.

SEWER IMPACT FEE RATES QUOTED WITH THIS DOCUMENT REPRESENT CURRENT RATES APPLICABLE AT THE TIME OF QUOTE PREPARATION. SINCE SEWER IMPACT FEE RATES ARE SUBJECT TO CHANGE, THE RATES CURRENT AT THE TIME FEES ARE PAID SHALL APPLY. FEES ARE SUBJECT TO ADJUSTMENT IF THE DATA SUPPLIED IS CHANGED.

www.srcsd.com / www.sasd.com
E-mail:doylep@sacsewer.net

RESOLUTION NO.

Adopted by the Sacramento City Council

AWARD SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) CONNECTION FEE CREDITS FOR DUCKHORN VILLAGE (APN# 225-0140-040).

BACKGROUND

A. On March 20, 2001, City Council authorized the City Manager to sign a Memorandum Of Understanding (MOU) to initiate City participation in the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank (CC2001-177);

B. On June 20, 2006, City Council approved Resolution 2006-457, approving criteria for the granting of Treatment Capacity Bank Credits (Credits) for commercial development, Downtown, low-income, and infill / transit-oriented development projects, and amending the Memorandum of Understanding (MOU) between the Sacramento Regional County Sanitation District (SRCSD) and the City.

C. The City of Sacramento has been awarded a total of 8,727 sewer credits. As of October 2008, the City of Sacramento has issued 1641.99 sewer credits to eligible projects.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. City Council finds that award of credits by this resolution meets the approved criteria for granting of credits pursuant to Resolution 2006-457 , and hereby awards a maximum of 56.25 new SRCSD sewer credits (reduction in sewer credit fee to $923 per ESD) to the project known as Duckhorn Village (APN #:225-0140-040).

Section 2. Any and all credits awarded herein to each individual recipient shall expire if said individual recipient has not paid its requisite sewer impact fee to SRCSD within one year from the date of approval of this resolution.

Section 3. Any and all credits awarded herein to each individual recipient will expire if said individual recipient has not been issued a building permit for its respective above referenced development project within one year after the City Council has awarded use of the aforementioned sewer credits.