



REPORT TO COUNCIL

City of Sacramento

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

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Consent
January 13, 2009

**Honorable Mayor and
Members of the City Council**

Title: Sewer Credit Approval: La Provence Project

Location/Council District: 230 Cadillac Drive/District 3

Recommendation: Adopt a Resolution awarding a total of 20.91 Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described project known as La Provence.

Contact: Trevor Walton, Project Specialist: 808-6764

Presenters: N/A

Department: Economic Development

Division: Citywide

Organization No: 18000

Description/Analysis

Issue : The La Provence is a proposed new residential housing project consisting of twenty-seven (27) apartment units (including studio and manager's apartment) and 2,200 Sq.ft. Club House. The La Provence project will be located at 230 Cadillac Drive (APN: 295-0020-008). The business owners, KF Properties Inc. has filed an application for Economic Development Treatment Capacity Bank Sewer Credits. The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding 20.91 SRCSD sewer credits to the project known as La Provence.

Policy Considerations: The City of Sacramento views projects that promote urban infill development 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.

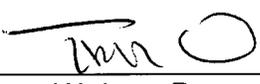
Rationale for Recommendation: Projects that promote urban infill development are important to the economic development strategy of the City. The City of Sacramento's Economic Development Department recommends issuing sewer connection fee credits to the La Provence project. The La Provence is a proposed new residential housing project. This project:

- is located within a targeted urban infill area as described in the General Plan.
- promotes urban infill development which the City views as important as to the economic development strategy of the City.
- meets Council-approved criteria for the granting of sewer credits pursuant to Resolution 2006-457, adopted on June 20, 2006.

To promote urban infill development, it is recommended that the City Council issue sewer connection fee credits to the La Provence 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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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 December 24, 2008, the City of Sacramento has issued 1870 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.



CITY OF SACRAMENTO: Application for Economic Development Treatment Capacity Bank Sewer Credits (i.e. a reduction in rate per ESD to \$923)

Before submitting this application for processing, please contact the Sacramento Regional County Sanitation District (SRCSD) at (916) 878-6100 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 Trevor Walton at 916-808-7223 with any questions as to eligibility for sewer credits (i.e. a reduction in rate per ESD to \$923) 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: La Provence
2. Address for which Credits sought: 230 Cadillac Dr. Zip: 95825
3. Assessor's Parcel Number: 295-0020-008
4. Legal Name of Business/Owner: Erich Kopple, KF Properties Inc
5. Owner's Mailing Address: 9103 Laguna Mainstreet, Ste 170, Elk Grove, CA 9575
6. Owner's Phone Number: (916) 691-0781 Owner's Fax Number: (916) 691-0797
Owner's email address: ekopple@hotmail.com
7. Brief Project Description: Multi-family redevelopment (+27 units)
8. Please mark the category that best describes your project:
Residential Number of Units 27 (new) Low Income Project? Yes No
Commercial Number of new jobs from creation/expansion _____
Mixed Number of Residential Units _____ Number of new jobs from creation/expansion _____
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: [Signature] Date: 10/16/08
Print Applicant's Name: JARED HUCKENBERRY (FAX 916-858-5805)

To be completed by City:
Prepared By: [Signature] Number of approved ESDs: 20.91
Approved By: [Signature] 12/2/08
Trevor Walton, Project Manager Date

Notes and Project information:
• Infill Housing Project District 3

**Sacramento Area Sewer District
Sacramento Regional County Sanitation District
10545 Armstrong Ave., Suite 101, Mather, CA 95655**

**Sewer Impact Fee
Permit and Calculation**

Description of Work: Cadillac Drive Apartments ~ 27 Apartment units (including studio and manager's apartment) and 2,200 Sq.ft. Club House
Application Name: Cadillac Drive Apartments
Address: 230 CADILLAC DR, SACRAMENTO, CA 95825
Jurisdiction: SACRAMENTO
Application No: SICR2008-00269
Parcel: 295-0020-008-0000
Applicant Name: Jared C Hockenberry

Invoice # Fee Item	Fee Due	Fee Paid	Date Paid
261235 SRCSD Sewer 27 Units X 0.75 ESDs+2200X0.3/1000=20.25+0.66=20.91 ESDS X \$2800	\$58,548.00	\$0.00	
	Fees Due:	\$58,548.00	
	Fees Paid:	\$0.00	
	Current Balance Due:	\$58,548.00	

THIS SEWER IMPACT FEE PERMIT TO CONNECT EXPIRES ONE YEAR FROM DATE OF PAYMENT.
 ADDITIONAL SEWER IMPACT FEES WILL BE DUE WITH ANY CHANGES IN USE, or INCREASE IN SQUARE
 FOOTAGE

SEWER IMPACT FEES INCREASE ANNUALLY ON APRIL 1st.

Contact Permit Services at: (916) 876-6100 and PermitServices@sacsewer.com



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

October 14th, 2008

Receiving Mail:

Jared Hockenberry: jared.hockenberry@kimley-horn.com
Viktoria Handley: vhandley@cityofsacramento.org

TO: **WHOM IT MAY CONCERN**

FROM: **Marjorie Alpizar**
SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

RE: **SEWER IMPACT FEES**
230 Cadillac Dr

APN: 295-0020-008
Case No. SICR2008-00269
City Case: COM-0811389

Sewer Impact Fees due for **Cadillac Drive Apartments** located at the above mentioned address and APN are as follows:

	<u>ESDs</u>	<u>Rate</u>	<u>Fee</u>
Sacramento Regional County Sanitation District			
27 Apartment units X 0.75 ESD/Apartment	20.25		
2,200 Sq.Ft.x0.3ESDs/1,000 Sq.ft	0.66		
Total	20.91	\$2,800	\$58,548

If I may be of further assistance, please do not hesitate to call me at 916-876-6000

Fees are subject to adjustment if the data supplied is changed.

www.srcsd.com
alpizarm@SacCounty.Net

RESOLUTION NO.

Adopted by the Sacramento City Council

AWARD SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) CONNECTION FEE CREDITS FOR LA PROVENCE PROJECT (APN# 295-0020-008).

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 December 24, 2008, the City of Sacramento has issued 1870 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 20.91 new SRCSD sewer credits (reduction in sewer credit fee to \$923 per ESD) to the project known as La Provence (APN #:295-0020-008).
- 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.