



REPORT TO COUNCIL

City of Sacramento

6

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

CONSENT
August 24, 2010

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

Title: Sewer Credits Approval: Villa Terrassa Housing Project

Location/Council District: Franklin Blvd. & Mack Rd., District 7

Recommendation: Adopt a **Resolution** awarding a total of 18 Sacramento Regional County Sanitation District (SRCSD) sewer connection fee credits to 5360 Holdings, LLC for the Villa Terrassa housing project.

Contact: Jennifer Witz, Administrative Analyst: 808-2796

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 18 Sacramento Regional County Sanitation District sewer credits to the housing project known as Villa Terrassa, located at the south-eastern corner of Franklin Blvd. and Mack Rd. (APN: 119-2150-001 thru -010, 119-2140-025 thru -032).

Policy Considerations: The City of Sacramento views projects that promote urban infill development as an important cornerstone of the City's economic development. The City of Sacramento also supports such projects to make Sacramento the most livable city in America. Approval of the subject recommendation serves to promote this city policy objective.

Environmental Considerations: This project was subject to environmental review as part of the approval of its development entitlements. Under the California Environmental Quality Act (CEQA) guidelines, the award of sewer credits is an administrative activity that is exempt from environmental review.

Sustainability Considerations: n/a

Commission/Committee Action: n/a

Rationale for Recommendation: This application for 18 sewer connection fee credits meets Council-approved criteria for the granting of sewer credits pursuant to Resolution 2006-457, adopted on June 20, 2006, because Villa Terrassa is an urban infill housing project. The project will bring 18 residential units to South Sacramento creating a more vibrant and livable community.

Financial Considerations: Approval of the Resolution has no financial impact to the City.

Emerging Small Business Development (ESBD):

Respectfully Submitted by: 
James R. Rinehart
Economic Development Director

Recommendation Approved:

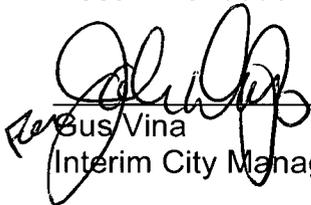

Gus Vina
Interim City Manager

Table of Contents:

Report	pg. 1
Attachments	
1 Background	pg. 3
2 Sewer Credit Application and SRCSD ESD Quote	pg. 4
3 Resolution	pg. 6

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 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 projects. 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 more of 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, disbursement guidelines for the District's own allocation from the Bank, and to address other administrative actions.

SRCSD agreed to expand the criteria for the housing allocation to include infill and transit-oriented housing and provided for an additional 15 percent annual allocation for housing projects. This permitted each local jurisdiction to have more flexibility in using the Bank Credits.

Resolution 2006-457 approved the amended Memorandum of Understanding (MOU) between the SRCSD and the City to include these policy changes. 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.



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) 876-8100 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 Micah Runner at 916-808-5448 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 1030 15th Street, 2nd Floor, Sacramento, CA 95814; or by fax to 916-808-8181.

Please note that the proposed project must meet established criteria in order to receive Treatment Capacity Bank Credits at reduced rates and that not all projects are eligible for the Credits.

1. Project Name: Villa Terrassa
2. Address for which Credits sought: Franklin + Mack zip: 95823
3. Assessor's Parcel Number: 119-2140-025 to 032, 119-2150-001 to 010 (18 total)
4. Legal Name of Business Owner: S360 Holdings
5. Owner's Mailing Address: 1000 G St Suite 125 zip: 95814
6. Owner's Phone Number: (916) 708-2867 Fax Number: (916) 706-1173
Owner's email address: gswanson@S360services.com
7. Brief Project Description: Build SFR
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 _____ 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's signature: [Signature] Date: 7/8/10
Print Applicant's Name: Guy Swanson

To be completed by City:
Prepared By: [Signature] 18
Micah Runner, Sr Project Manager # ESD's
Jennifer Witz
Approved By: [Signature] 8/2/10
Jim Ringhart, Citywide Division Manager Date

Notes and Project Information:
• infill / district 7



Sacramento Regional County Sanitation District
 10060 Goethe Road
 Sacramento, CA 95827

July 08, 2010

TO: Whom It May Concern
 RECEIVING EMAIL: Guy Swanson S360 Dev Services
 FROM: Marjorie Alpizar – Permit Services Unit
 RE: Sewer Impact Fee Quote
 ADDRESS: VAR APN: 119-2150-001 thru -010
 119-2140-025 thru -032
 CASE No: SICR2010-00016

Sewer Impact Fees due for the Villa Terrassa lots 25 thru 42 are as follows:

	<u>ESDs</u>	<u>RATE</u>	<u>FEES</u>
<u>Sacramento Regional County Sanitation District</u>			
18 single Family Dwelling	18.00		
TOTAL SEWER FEES DUE	18.00	\$2,800	\$50,400
IT recovery fee			\$100
TOTAL			\$50,500

Fees are due prior to permit issuance and must be accompanied by a Sewer Impact Fee Permit and Calculation form.

Sewer impact fee rates quoted within represent current rates applicable at the time of this quote preparation. Sewer impact fee rates are subject to change, current rates at the time fees are paid shall apply. Sewer impact fees are subject to adjustment if the data supplied has changed.

916-876-6100 permitservices@sacsewer.com
www.sacsewer.com www.srcsd.com

RESOLUTION NO.

Adopted by the Sacramento City Council

**AWARDING SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD)
SEWER CONNECTION FEE CREDITS TO 5360 HOLDINGS, LCC FOR
THE VILLA TERRASSA HOUSING PROJECT LOCATED AT THE
SOUTH-EASTERN CORNER OF FRANKLIN BLVD. AND MACK RD.
(APN: 119-2150-001 THRU -010, 119-2140-025 THRU -032).**

BACKGROUND

- A. On March 20, 2001, City Council approved a Memorandum of Understanding (MOU) to initiate City participation in the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank (Agreement No. 2001-177).
- 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 approved amending the Memorandum of Understanding (MOU) between the Sacramento Regional County Sanitation District (SRCSD) and the City to increase the amount of credits that may be awarded to housing projects.
- C. The City of Sacramento has been awarded a total of 8,727 Credits. As of June 2010, the City of Sacramento has issued 2,007 Credits to eligible projects.

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

- Section 1. The City Council finds that award of Credits for the Villa Terrassa housing project meets the approved criteria for granting of Credits pursuant to Resolution 2006-457, and hereby awards a maximum of 18 SRCSD Credits to 5360 Holdings LLC ("Recipient") for this 18-unit infill housing located at the south-eastern corner of Franklin Blvd. and Mack Rd. (APN: 119-2150-001 through -010, 119-2140-025 through -032).
- Section 2. Any and all Credits awarded herein shall expire if said 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 said Recipient will expire if all building permits for the 18 housing units at the Villa Terrassa project are not issued within one year from the date of approval of this Resolution.